

# DISTRIBUTION AND WAREHOUSING



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# DISTRIBUTION

## Its Economic Relation to Public Warehousing

Number 61

### The Waterfront Warehouse and Its Competition With Water and Rail Carriers for Storing

By H. A. Haring

SCARCELY a city can be named in the whole United States which is free of "over-building" in warehouse capacity for merchandise. With abandoned jobbers' structures and disused breweries, with war-time storages still on the market, with terminal warehouses of a capacity for ten years to come, nearly every city has as much over-capacity as it had twenty years ago when storers were content to put their goods in abandoned stables and old lofts.

For less-than-carload lots the patron demands most up-to-date facilities, because his goods require a highly developed "service" for proper distribution. In fact, handling and distributing such merchandise is more vital than the mere storing. For that reason goods of this nature seek the warehouses of greatest integrity, whose organization is best fitted to "represent" the distant owner of the goods.

Unfortunately for the warehousing industry, this type of goods does not move in trainloads. Lots of two or three cars are of course common, although it is not often that as much as three cars will be actually in store at a time—the total quantity mentioned being what is in store plus

what is in transit. Rapidity of stock turn, with the importance of low inventory, makes the owner of goods keep one eye to as little warehouse stock as will supply demand at all times.

For large lots of goods, running to five or ten carloads or even a trainload, the warehouse patron does not always seek out the most up-to-date facilities. He wants protection for the goods and little else. For his purposes a transit shed suffices, or he is content to lease an old freight house, rats included, or he will barter among warehousemen for the lowest fractional rate somewhere where it is believed "better to fill the house and pay taxes than to have all that space empty." For a patron of this class, storage is the primary need. The goods will move out in a solid lot, and there will be required none of the specialized services of the modern warehouse.

In every city, as we have stated, conditions of this sort obtain.

In the port cities, however, all these circumstances are aggravated in a manner hardly appreciated by the warehouseman of an inland point.

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## Its Economic Relation to Public Warehousing

### New York, Boston

IN some of the great ports the warehouses operated by railroads and steamship companies take the business at ridiculous rates. Public warehouses cannot pay their overhead and compete. It is impossible for them to deceive themselves into believing that any profit can come from meeting the rate.

Testifying before the Interstate Commerce Commission, for example, the Wiggins Terminal of Boston and the Bush Terminal of New York showed that "the transit storage rates of the railroads are only one-fourth of those necessary for independent and private warehouses." Because of this disparity in rates, officers of Bush told the Commission a year or two ago that that company "is discontinuing storage, and is in the process of retiring from that business entirely because of the low storage rates of the railroads."

The Interstate Commerce Commission itself makes the statement:

"A witness for the Bush Terminal further testified that the remedy should be to require the railroads to increase their storage rates to conform more nearly to the cost of the service, and that his company would welcome an arrangement whereby the storage rates at the ports might be put under control. Much of this storage at the ports is not subject to the provisions of the interstate commerce Act, and," says the Commission, "it is doubtful whether the remedies requested could be effectively employed under the power vested in us."

At such a port as Jacksonville is an investment of some two millions in a municipal warehouse system either entirely disused or leased to private parties. Yet overhanging all storage rates for that city are the published rates of these warehouses, neither used nor intended to be used, but so low that warehousing at that city suffers from the competition.

And so goes the story from port to port.

At San Francisco are great storages of all sorts, exempt from taxes and sustained more or less by public funds, manned by politicians or their friends, which constantly upset the rate structure both for that city and its sister port, Oakland.

The War Department alone has released vast storages, since 1919, for which the need suddenly evaporated. Almost without exception these are port warehouses, built with public funds, occupying valuable wharf frontage and therefore being convenient for handling cargo, but, even today, entirely free from taxation. Inasmuch as they escape taxes, pay no interest on the investment, and require no reserve for depreciation, they can under-quote other warehouses.

Yet the most serious competition lies

with warehouses under control of the rail and water carriers themselves.

### Railroads' Charges

A VESSEL held in port is under heavy expense. Economical operation demands a minimum of time spent alongside the dock. To this end, wide piers are built, with mechanical equipment for the quick dispatch of cargo on and off. Facilities of this sort reduce costs for the ship. To possess them or not means that a particular railroad will or will not get "the line haul" on the goods of export and import. The ship will dock where its port delay is least and where modern equipment reduces the labor of loading and unloading.

The railroads, for this reason, have been forced to provide the dock equipment and facilities. Out of competition with each other they have laid out vast sums, without much regard to financial return.

All port charges of the railroad are "absorbed" in the rate. This term means that, in order to get the line-haul, the railroad names a rate from interior point to "ship side." At the port of New York, where all rail lines compete for the traffic, the roads unfavorably located have been compelled to quote "shipside" rates; otherwise they would lose business to the railroads so situated that their deliveries are adjacent to the docks. Then, in order to compete with New York, all other ports from Baltimore to Portland had no choice other than to make their line-haul rates include the shipside delivery. The South Atlantic and Gulf ports, too, had to fall into line, because, as a well-known traffic manager told the Interstate Commerce Commission:

"If one railroad makes a separate charge for port services, it would lose traffic immediately. The shipper would at once get the impression that something extra was being charged in addition to the line-haul rate. Uniformity in the method of publishing rates for export is very important from a competitive standpoint."

It has been abundantly proved that the railroads' charges for port handling is only one-fourth to one-half of the actual cost of these services. The railroads hardly know themselves what should be a proper charge, because no separation of accounting is made. The port cost is merely "absorbed" in the through rate, in the manner of many accessory services of like nature. It is known that they lose money at the ports, but, without port facilities of best type, any particular railroad would lose more through failing to obtain freight to haul.

The loss at the port, in other words, is recouped from the revenue received from the line-haul rate, the hauling of freight in unbroken tonnages being the

biggest revenue producer in railroading—that great reservoir of income from which everything is paid.

Freight to a railroad, represents what football does to university athletics. It is the year's great source of dollars. From its net can be paid the losses of university basket ball, crew, base ball, swimming and other athletic activities.

### Hard on Warehousemen

THAT this is the fact makes, however, a difficult situation for the public warehouseman. He cannot afford to provide elaborate facilities at the port, as the railroads do, because he has no line-haul into which to swallow up the losses. On the other hand the warehouseman is unable to charge a fair amount for his port services.

Inasmuch as the railroad quotes dock services as a part of the through rate, neither the railroad nor the shipper knows how much of the rate is for haulage and how much for storage and handling. Were the shipper to ask for no dock services, his freight rate would be no less.

This means, as seen by the warehouseman, that anything paid the independent warehouse becomes an addition to the freight rate. No wonder, therefore, that railroad docks enjoy the dock business!

The railroads go even further.

They execute leases with large shippers for dock warehouse space. This practice is especially common with shippers of such commodities as lumber, grain, fertilizer and cotton—commodities for which the railroads do make a separation of line-haul from over-the-dock charges.

In the famous "wharfage" case, the Interstate Commerce Commission reports that:

"At Wilmington, (N. C.), Charleston, Savannah, Brunswick, Jacksonville, Tampa and New Orleans, certain rail carriers lease their terminal warehouse facilities either to shippers or to private individuals at fixed annual rentals, instead of collecting the tariff charges on the tonnage handled."

To illustrate this method—although the case is only one of many of similar nature—in New Orleans the Illinois Central leases sections of its Stuyvesant warehouses to shippers of fertilizers. The rate is a flat rental of 1 cent per square foot for 30 days, or 2.5 cents for 90 days. The lease contains a "cancellation clause" by the terms of which either party may cancel the lease upon 30 days' notice—a condition which sounds innocent enough until one learns that the fertilizer companies do a business which is highly seasonal. In actuality, these tenants pay rental for the warehouses for 90 days, sometimes 120 days, just prior to the season for planting cotton, and then exercise their



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privilege by cancelling the lease! Thus they benefit during the "season" for fertilizer, but are permitted to cut their losses for the balance of the year.

The Commission reports:

"This rental does not compensate the railroads for the value of the warehouse property. It may amount to discrimination against the small shippers who must avail themselves of space at full tariff rates."

And, for the lease specifically mentioned, one of the large fertilizer companies paid "for a period of two years a total rental of \$2,400," although, on authority of the Interstate Commerce Commission, we learn that:

"One month's storage at tariff rates on the fertilizer actually in store in the space under lease would have amounted to nearly \$6,000."

Yet, when questioned as to this lease, the Illinois Central retorted that it was compelled by competition to adopt this method of assuring freight revenue. The Southern Railway, it appears, initiated the leasing of warehouses at New Orleans for fertilizer, with the result that the Illinois Central lost "considerable line-haul traffic to the railroads which made leases of their fertilizer warehouses." One is not surprised to be informed that "these leases usually provide for routing over the lessor railroad's line when the rates do not exceed those over other lines."

### "Free Time"

DUE to the nature of ocean shippings, all freight coming to the ports for export enjoys an extended "free time" before storage accrues.

The railroad's rule throughout the country is for 48 hours of free time for unloading freight. The same rule applies to freight at port cities, so long as it is for domestic consignees; but, if designed for export or for transshipment by ocean, the free time is lengthened. Although the rule is not uniform for all ports, it is customary to allow at least 10 days' free time for carload freight "for export but not covered by through export bills-of-lading," and 15 days (30 on the Pacific Coast) when the shipment is "covered by through export billing." At all the ports, for any steamship line which does not sail at frequent intervals, the free time is apt to be extended "until clearance of the ship."

At the port of New York, less-than-carload freight for export is assessed a cartage charge; at some ports the free time allowed for less-than-carload consignments is not so long as for carload lots.

The railroads hold freight, designed for export, either in cars or unload it into their warehouses (or sheds) at their option. This "option" is exercised in times of car shortage, at times when

their transit sheds are unoccupied and their men unemployed with other work, etc.

Undeniable evidence that this storing in their warehouses is to increase may be found in the recent large terminal warehouses of the railroads at eastern seaboard points. Interviews, furthermore, with freight traffic solicitors of the railroads bring out such suggestions as the following:

"Manufacturers often make up export goods months in advance. It's our argument with them that they ship to our warehouse on the Hudson waterfront and use our warehouse to assemble each lot. In this way the manufacturer gets the free time allowed by the tariff and pays only for storage for the excess time. The handling costs him nothing, because it's the same to the railroad as if the shipment had gone right to ship side—the freight rate covers it."

Or this:

"Export shipping stirs up a lot of unexpected things. The experienced exporter learns that freight does not always 'make the ship.' If it misses, the shipper has to pay for the cargo space and then has all the nuisance of booking another space. His stuff usually is ready in plenty of time at the factory. 'Shoot it to our port warehouse,' we tell them; 'save the worry.' Then too, you know, the warehouse receipt is as good as the dock receipt for financing the sale against the letter of credit."

Or this one:

"Big exporters know the racket of getting low ocean rates.

"If a ship's sailing date is only a day or two away and the booking office stares into a hold only half filled with cargo, a shipping agent who stands in well for getting information can drop in at the right moment and engage tonnage at his own figure. Any corporation with an established trade in a foreign country can use that space. It can ship to itself at some foreign port and there warehouse the goods in bond, without paying the duty, until a sale is made.

"But to do that, the shipper must have goods right here in the port of New York, packed for export, where he can lay hand on them for delivery alongside the ship. Only having them in a waterfront warehouse makes this possible."

A similar condition is found on the Pacific Coast. Eastern manufacturers who export via the Pacific often ship their goods through the Panama Canal to the Coast, thence to be trans-shipped. It is quite the custom of such manufacturers, if they enjoy regular trade over these routes, to accumulate large stocks on the Coast in anticipation of demand. At Seattle, similar shipments accumulate for Alaska during the winter months when that part of the world is closed to navigation. Inasmuch, too,

as the railroads offer favoring rates for goods in export movement, warehouses receive ex-rail shipments of the same nature.

### Municipalities

ALL these conditions bear heavily on public warehouses at the ports. The extended allowance of free time, the allowance for unloading and handling to ship side, the crane and similar equipment available—all these drive the shipper to warehouses operated by the railroads, the ships, or the municipality. For, although not particularly discussed by us, municipalities, too, have built warehouses which compete for storage.

Warehouses of the latter sort are part and parcel of port development policies. A city has natural ambition to enlarge shipments through its port, and, to encourage this, it builds port facilities. These, when completed, live without taxation, without reserves for depreciation (as a rule), and quite often without charge for interest on the investment (interest sometimes being paid out of general funds). Such enterprises are not obliged to make net earnings for stockholders. They can therefore operate on lower overhead than a private undertaking and they seriously complicate rates for public warehousing at the port.

Yet, of all these competitors, the one hardest to fight is the railroads' operation of a warehouse. The warehouse, at a port, is looked upon "as a service incidental to transporting freight." It is known to require expense but that expense is looked upon as switching is, or classification of cars in the yard, or as free lighterage is—a cost which cannot be escaped in order to get the business.

So long as the railroads are permitted to hold this view, no way exists to compel them to charge for port services what it costs them to perform the service. Warehousing, being one element of their port service, will continue to be absorbed in the general cost of carrying freight to the ports.

This situation covers another problem—namely, that of improving warehousing at the ports. Under present conditions, privately owned warehouses have difficulty getting rates that show any margin of profit. They are therefore hardly justified in extending their equipment and facilities for exporters. Therefore, they have cut down on enlargement of plants.

They have been compelled, in self defense, to concentrate on domestic distribution in and about the port city.

Thus, more and more, the great mass of bulk freight moving over the ocean in export direction is not going through the commercial warehouses at all. It goes through houses controlled by the

carriers. To the public warehouses is left the handling of goods for domestic consumption, as in inland cities, and, of course, the warehouses still retain the volume that grows out of importing.

### Imports

**I**N importing merchandise a reverse of the situation occurs. The ocean carrier wants to get rid of the goods as quickly as possible after docking. Every effort is made to clear the wharves. Goods arriving on through bills-of-lading for interior points are delivered at once to the railroads for movement.

Much merchandise is stopped for customs house examination. This goes into appraisers' stores; more often into a bonded warehouse under control of the Treasury Department. It is permissible for goods to lie in the port warehouse, under bond, for as long as three years

before duty is paid. Always, too, with bulk cargoes, a portion goes into store for convenience of the owner, to be withdrawn gradually as demand arises.

Banks control a large share of arriving merchandise. It is consigned to them, or their order, as a part of the financing of the sale, under the various forms of letters of credit. Often, too, brokers are obliged to let title to imported goods lie with the banker who has made heavy advances against the goods. Banks insist that goods shall be properly warehoused, with houses of best standing, either bond or free.

For port warehouses, accordingly, the key to much importing business rests with a friendly bank. That warehouse of the port which enjoys the customs house "order stores" and the business of a leading bank or two is sure to have well filled floors of miscellaneous merchandise from all over the world. And,

unlike merchandise for export, the competition with railroad storages is so little that good revenue follows this class of business.

### Long Storage

The period of storage, for another thing, tends to be long—months often dragging into a year or two. Occasionally the long period causes a loss to the warehouse, much as the furniture warehouse loses from goods which remain too long. With imported merchandise, it sometimes happens that the market will turn against the goods so that they are worth less than the duty plus the storage. They must then be sold, and, when this happens, the claims of the Government for duty is prior to the warehouseman's lien for storage. If any loss results, a part of it may fall on the port warehouseman.

## I. C. C. Is Temporarily Enjoined, Pending Hearing, from Enforcing Its Order in Railroad "Allowances" Case Affecting Philadelphia Warehouses

**A**N injunction temporarily suspending application of an Interstate Commerce Commission order which would prohibit the Pennsylvania Railroad, the Baltimore & Ohio Railroad and the Reading Company from employing certain warehouses in Philadelphia under contract to act as their agents, was granted on Feb. 21 by a special Federal Court of Equity in Philadelphia. The injunction was granted for sixty days, counting from February 25, and the Court, composed of Circuit Judge Victor B. Woolley and District Judges J. Whitaker Thompson and Oliver B. Dickinson, set March 26 as the hearing date for argument of the case on its merits.

The order of the Commission held that payments by the carriers to the Merchants Warehouse Co., the Pennsylvania Warehousing & Safe Deposit Co. and the Philadelphia Warehouse & Cold Storage Co. by the three railroad companies were illegal and discriminatory to other warehouses in Philadelphia.

The original action, brought by the Terminal Warehouse Co., Walter A. Bailey, James Gallagher and others, sought to have the carriers discontinue the practice of employing exclusive agents and also to discontinue making payments to the contract warehouse for transportation services which they perform for the carriers while acting as their agents. Under the carriers' tariffs they are obliged to load and unload carload freight for the consignees or consignors without cost to the owners of the merchandise. These are part of the services which the warehouses perform under contracts with the carriers.

The practice of unloading carload freight at the three warehouses mentioned, at the cost of the carrier, has been in effect in Philadelphia for many years.

During that time the trade has accustomed itself to the practice, and the merchants have made arrangements with

their purchasers, sellers and principals based on its continuance. Several of Philadelphia's largest trade and commercial organizations are opposed to the Commission's order, on the ground that it would disrupt their present trade practices. It is contended by the trade organizations that the practice of having the carriers unload the freight free of any cost to them and by the contract warehouses has added greatly to the economy, convenience and expedition in the handling of freight shipments in the city, and that its discontinuance would be greatly prejudicial to the business interests of Philadelphia. With these contentions, the Commercial Exchange, the Board of Trade, the Bourse, the Grocers and Importers' Exchange and the Association of Manufacturers' Representatives, Inc., have intervened in the proceeding on behalf of the contract warehouses and the railroads; their petition of intervention was entered by Allen S. Olmstead, 2d.

The proceeding is regarded as of the utmost economic importance to a large number of shippers and receivers of freight in the Philadelphia district, and the discontinuance of the practice of having warehouses act as agents for the carriers, performing the same services as the railroad in forwarding or delivering freight, would greatly disrupt trade and add considerably to the expense of conducting business in the city, inasmuch as, if the Commission's order is sustained, the receivers or the shippers of merchandise in carload lots will have to pay the cost of loading or unloading freight, at the various railroad stations, for which service the carriers now make no charge to them.

Application of the Commission's order, it is said, would result in a virtual increase in freight rates to shippers and receivers in the Philadelphia district.

A notable array of lawyers appeared for the warehouse companies, including

Owen J. Roberts, who was chief counsel for the Government in the civil and criminal prosecutions against Harry F. Sinclair and former Secretary of the Interior, Albert F. Fall; M. Hampton Todd, former attorney general of Pennsylvania; John P. Connolly, former city solicitor; and J. Edgar Barnes and William A. Glasgow. On the Government's side appeared Elmer B. Collins, special assistant attorney general, and J. Stanley Payne, assistant chief counsel for the Interstate Commerce Commission. John J. Hickey appeared as counsel for the complainant warehouse companies.

### Warehouse Firm Builds Theater

The Moriarity family which owns the Waterbury Storage Co., Waterbury, Conn., a member of the National and Connecticut Warehousemen's associations, has completed and turned over to Warner Bros. on a long lease one of the largest theaters in the East. The new State Theatre immediately adjoins the warehouse, on East Main Street in the heart of the business district.

### Houston Industrial Storage Warehouse

The Merchants and Manufacturers Building, described some months ago in *Distribution and Warehousing*, was formally opened for business in Houston, Tex., on March 15. With fifteen acres of space within its walls, it will be devoted to warehousing, merchandise displays and the needs of wholesalers, jobbers, distributors, exporters, chain store groups and allied interests. The structure is fireproof, sprinklered throughout and stands ten stories high.

# GOVERNMENT'S FIGURES INDICATE IMPROVEMENT

## Statistics Show 72.2% Average Occupancy in 1929 Against Average of 68.1% in 1928

By KENT B. STILES

**I**SSUANCE on March 19 of the final December figures on public merchandise warehousing makes it possible for the first time in this Government statistical project to compare two complete years and to trace the relative trends through the corresponding months of two years. Analysis indicates that from the occupancy standpoint the industry's condition improved in 1929 as against 1928.

Last year warehouse occupancy averaged, among the plants reporting to the Bureau of the Census of the Department of Commerce, 72.2 per cent. This compares with 68.1 as the average in the previous twelve-months period. The net average gain, accordingly, was 4.1 per cent.

Of the total volume of goods which arrived at the reporting warehouses during 1929 an average of 74.5 per cent went into storage, the balance being delivered on arrival. This compares with an average of 75.5 per cent in 1928. The net average decrease last year was therefore 1 per cent.

ON page 14 is published a table (No. 1) giving the occupancy and tonnage percentages, month by month, for each of the years 1928 and 1929.

On the same page is presented an occupancy and tonnage chart, 1928 and 1929, which enables the reader readily to visualize the peaks and valleys as indicated by the percentages in Table No. 1.

The occupancy percentages by States, and by months across the two years, are set down in a table (No. 2) on page 15. This table includes the percentages of those marketing centers for which figures were especially compiled—metropolitan New York, Brooklyn, Manhattan, nearby New Jersey, Chicago, Min-

neapolis and St. Paul together, and St. Louis. It will be recalled that at the Biloxi convention of the American Warehousemen's Association, in January, L. Seth Schnitman, chief of division, *Survey of Current Business*, Department of Commerce, announced that the Government contemplated issuing statistics eventually by marketing centers only, with concentration on those centers where the warehousemen's responses could be considered representative of conditions.

On page 16 is a tonnage volume chart for 1928 and 1929. Here the lines which form the peaks and valleys indicate the relative volume of merchandise which entered storage out of the total

The Department of Commerce made public also on March 19 the tentative occupancy and tonnage figures for January of the current year. These show an occupancy of 74.8 per cent at the close of the month. This compares with 67.9 at the end of January of 1929 and with 67.6 per cent on the final day of January of 1928.

The revised December occupancy percentage is 75.9, which compares with 68.1 per cent at the close of December of 1928. No Dec. 31 figure for 1927 is available, as the compilation of these statistics was not inaugurated until January of 1928.

The tentative figures for this past January show that 74.5 per cent of the merchandise which arrived at the reporting warehouses in that month went into storage. This compares with 73.2 per cent during January of 1929 and with 83.3 per cent during January of 1928.

The revised December tonnage percentage, 75.2, compares with 72.1 for December of 1928. No tonnage percentage for December of 1927 is available.

tonnage arriving at the reporting plants.

The Government's release of March 19 appears on page 17. This contains the revised occupancy percentage figures for December and the tentative ones for January, together with the final December and provisional January tonnage statistics.

### Occupancy

**A** STUDY of the occupancy phase of the graph on page 14 and of the occupancy percentage table on the same page shows that the 1928 and 1929 lines, each starting at about 68 per cent in January, moved upward through Feb-



L. Seth Schnitman



Department of Commerce official who supervises compilation of public warehousing statistics. Mr. Schnitman addressed the January convention of the American Warehousemen's Association at Biloxi

Table No. 1—Occupancy and Tonnage—1928 and 1929  
Entire Country

Month	OCCUPANCY				TONNAGE					
	Percentage Occupied, of Available Space				Number of Warehouses Reporting		Total Volume Arriving		Total Entering Storage	
	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929
January .....	67.6	67.9	1085	1229	525,776	628,291	438,115	460,090	83.3	73.2
February .....	68.7	68.3	1336	1227	602,004	652,680	503,295	468,557	83.6	71.8
March .....	70.8	69.9	1328	1223	739,482	724,600	567,849	551,208	76.8	76.1
April .....	69.8	71.8	1321	1218	680,341	776,755	525,965	589,502	77.3	75.9
May .....	68.6	71.0	1087	1224	556,835	738,177	427,102	572,827	76.7	77.6
June .....	67.2	71.0	1124	1220	666,961	659,595	498,759	499,584	74.8	75.7
July .....	67.1	71.2	1173	1223	623,564	689,816	444,571	521,362	71.3	75.6
August .....	67.9	71.9	1213	1226	683,948	730,178	502,418	553,737	73.5	75.8
September .....	66.1	74.3	1210	1222	635,524	722,914	450,554	541,566	70.9	74.9
October .....	66.4	76.3	1211	1229	752,636	949,785	553,289	753,848	73.5	79.4
November .....	68.6	77.1	1212	1272	711,534	744,477	527,529	559,718	74.1	75.2
December .....	68.1	75.9	1227	1302	645,093	599,891	465,087	451,178	72.1	75.2
Total .....	....	....	....	....	7,823,698	8,617,159	5,904,533	6,423,177	75.5	74.5
Average .....	68.1	72.2	1152.7	1234.6	651,975	718,097	492,044	535,265	75.5	74.5

ruary and March. After a recession, each ascended in August. The 1929 line continued this upward swing through September, October and November to 77.1 per cent, the record high level in any month of the two years. The 1928 line, after the August advance, declined to a low record, 66.1 per cent, in Octo-

ber, and then rose to the highest level of the year, or 68.6 per cent, in November. Thus the best occupancy month in each year was November, followed in each case by a decline in December. Except for the September-October val-

ley made by the 1928 line at the time when the 1929 line was ascending to reach the November peak, the two lines, taken as a whole, move fairly parallel.

The percentage figures in the table on page 15 show that 1929 was a year of steady advance in about seven-tenths of the States. For the entire country the average occupancy on Dec. 31 was 75.9 per cent, as compared with 67.9 per cent at the close of the year's first month. This was a gain of 8 per cent.

The increase is reflected in all the States except Connecticut, Rhode Island, the Dakotas, the southern group comprising Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma and Texas, and California on the Pacific Coast.

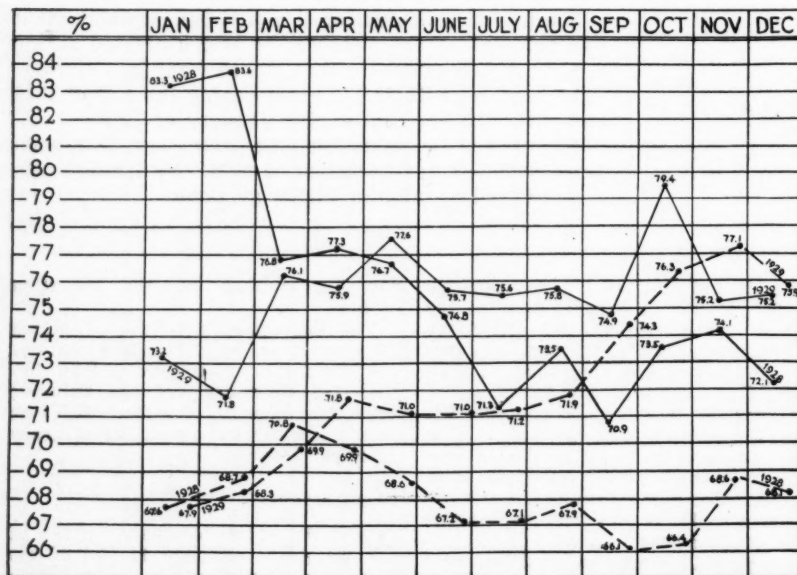
At the close of January, 1929, reported warehouse occupancy exceeded 80 per cent in twelve of the States, the Dakotas leading with 93.9 per cent, followed by Ohio and Texas (86.4), Wisconsin (84.2), Alabama-Mississippi (83.4), Georgia-Florida (83.1), Nebraska (81.8) and Minnesota and Missouri (80.8).

At the close of December, 1929, 80 per cent occupancy was reported from twenty States, or eight more than at the end of the year's first month. These twenty include all the foregoing States except Alabama-Mississippi and Georgia-Florida, and include also Idaho-Wyoming-Montana, Kansas, Arizona-Utah-Nevada-New Mexico, New York, Illinois, Washington and New Jersey. The Dakotas led with 92.9 per cent.

The highest occupancy level reported by any State throughout the twenty-

(Continued on page 16)

Occupancy and Tonnage Percentage Chart for 1928-1929



Unbroken line signifies percentage of goods which went into storage out of total volume received by the reporting warehouses

Broken line signifies percentage of space occupied out of total space available for storage in the reporting warehouses.

Table No. 2—Occupancy Percentages, 1928—1929, by States

	January		February		March		April		May		June		July		August		September		October		November		December	
	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929
Mass. & Vt.....	42.3*	48.1	46.1*	48.0	45.8*	48.9	44.8*	50.1	42.1	52.1	49.7	52.6	49.3	56.8	52.5	57.5	51.2	55.3	50.8	54.3	51.1	52.8	50.0	50.8
Conn. & R. I.....	71.7	63.3	59.1	63.3	55.7	66.6	52.2	65.7	46.2	65.9	54.1	65.9	56.6	59.1	54.0	58.7	52.6	61.0	57.7	59.5	55.6	55.9	61.6	50.9
N. Y. Met. Dis.....	66.8	55.4	72.1	55.3	79.3	64.7	80.5	76.5	80.7	76.4	78.3	78.3	76.2	78.9	72.5	75.3	64.1	84.3	60.4	82.1	60.4	84.2	58.6	83.5
Brooklyn.....	59.6	41.7	68.2	41.3	78.5	58.2	80.3	79.1	80.7	78.3	77.7	80.9	75.9	80.1	67.5	71.7	53.0	76.9	48.9	76.5	46.9	86.2	43.5	86.4
Manhattan.....	79.8	67.0	78.3	67.6	78.2	66.8	77.7	68.8	78.7	69.9	78.4	70.8	79.8	75.8	78.7	74.9	77.8	88.1	76.8	84.9	76.9	78.2	76.9	78.9
Nearby N. J.....	71.8	72.7	75.5	72.5	81.6	75.0	82.4	76.8	82.0	77.7	79.3	78.5	74.6	78.7	77.6	82.1	75.7	82.2	71.0	80.4	74.6	84.6	74.4	81.9
N. Y. State.....	63.0	51.9	69.2	51.6	76.7	61.6	77.8	74.3	78.1	74.3	77.0	76.6	76.0	77.7	70.3	72.1	60.2	82.8	57.9	80.9	56.7	82.7	54.8	82.2
N. J. State.....	70.0	72.6	75.7	73.6	81.4	76.3	82.8	78.0	80.1	78.1	77.5	78.5	73.4	78.9	77.0	82.3	76.4	83.0	72.0	82.0	75.6	84.0	76.4	81.2
Penn.....	66.5	69.5	66.6	72.6	72.1	72.0	71.6	71.2	77.1	71.6	73.4	70.1	70.5	70.6	71.3	70.1	80.0	70.0	71.0	75.5	71.0	73.9	71.2	71.7
Ohio.....	82.4	86.4	76.4	85.6	73.8	88.0	69.9	87.8	81.7	89.2	84.7	81.1	81.4	89.4	82.1	89.9	84.1	90.5	86.5	91.5	85.4	92.1	84.7	90.9
Indiana.....	73.7	74.0	74.8	77.3	75.6	80.8	74.8	81.7	72.5	80.3	73.2	80.0	73.7	76.1	71.8	82.2	71.9	82.1	74.6	82.7	76.4	80.7	75.2	79.4
Illinois.....	76.7	75.7	76.5	76.6	74.9	78.2	77.0	78.7	74.0	78.6	73.4	81.1	73.0	82.2	73.4	86.1	72.9	86.3	75.9	87.0	77.2	83.4	77.3	82.2
Chicago.....	77.6	76.0	77.0	76.7	76.7	78.1	79.1	74.8	79.0	74.0	81.9	73.9	83.2	74.3	87.7	73.5	87.8	76.5	88.2	77.7	85.0	77.7	87.7	84.0
Michigan.....	69.1	67.6	71.3	69.5	73.8	66.0	75.2	67.6	77.9	70.9	78.4	71.8	73.5	66.2	72.1	69.0	71.0	71.1	68.0	73.2	69.2	69.7	68.1	68.3
Wisconsin.....	77.5	84.2	80.7	85.0	86.2	85.2	88.1	84.5	63.1	88.2	76.9	89.7	77.5	92.1	78.5	92.1	77.6	92.6	80.1	92.0	79.8	84.7	77.3	86.4
Minnesota.....	71.9†	80.8	73.2	80.7	75.3	79.0	71.8	76.9	70.4	71.5	70.0	73.2	69.2	73.1	70.4	78.5	70.6	82.4	72.9	84.6	79.7	86.4	77.8	85.3
Minneapolis St. Paul.....	72.2	81.4	73.8	81.7	76.2	79.8	72.5	77.5	71.5	71.6	70.1	72.9	69.2	72.4	67.2	77.4	70.6	82.9	73.2	84.5	80.2	86.3	78.1	85.1
Iowa.....	.....	71.4	74.0	72.3	78.0	68.8	75.8	67.9	55.8	69.2	67.5	67.4	66.5	66.4	65.5	68.2	70.2	70.1	68.2	73.1	69.6	73.8	70.1	78.5
Missouri.....	76.6	80.8	78.2	86.2	74.9	82.4	73.7	81.1	72.2	82.0	73.4	78.8	76.3	75.4	77.1	77.3	75.2	73.2	75.3	82.9	77.6	85.6	79.8	83.5
St. Louis.....	60.5	77.1	67.3	84.5	70.1	83.1	70.9	81.7	69.5	82.1	69.5	79.9	73.8	76.8	74.5	78.1	71.6	78.0	71.3	82.5	74.3	83.2	75.9	78.3
N. & S. Dakota.....	80.0	93.9	79.0	93.8	75.2	93.7	70.0	93.3	78.6	92.8	80.0	93.8	84.9	93.1	84.9	92.8	84.3	92.4	83.1	94.4	92.3	93.8	94.9	92.9
Nebraska.....	80.3‡	81.1	79.4	75.4	72.7	74.2	71.2	69.8	67.9	69.7	57.7	67.6	53.7	64.6	51.6	64.8	51.3	63.3	61.3	77.5	78.5	82.0	83.6	89.2
Kansas.....	.....	78.3	78.8	82.9	78.9	83.0	74.2	84.8	85.0	80.0	76.7	79.2	77.4	83.0	73.2	82.3	62.9	82.5	68.5	82.0	71.5	83.1	77.4	87.5
Del., Md., Dist. of Columbia.....	60.6	51.3	58.6	54.7	61.2	53.4	55.8	53.4	49.2	51.6	44.6	56.1	49.8	52.1	59.3	57.5	52.3	59.0	54.3	61.0	56.1	60.4	51.8	59.7
Va. & W. Va.....	72.0	68.6	69.1	69.1	69.7	69.3	72.2	70.4	54.9	70.4	53.8	70.4	68.3	70.5	68.1	70.7	69.0	71.0	68.7	71.1	68.3	70.7	68.8	70.7
N. & S. Carolina.....	56.4	68.9	59.8	64.3	63.5	65.1	63.0	68.7	55.3	68.1	60.0	66.8	61.6	64.9	59.4	61.6	64.6	64.3	67.7	68.4	71.9	75.6	73.4	70.1
Georgia & Florida.....	71.4	83.1	71.2	82.7	71.4	77.8	70.9	76.0	60.7	75.7	73.2	77.8	70.7	76.7	70.0	77.2	71.5	78.5	77.8	82.2	80.4	79.8	81.3	73.0
Kentucky & Tenn.....	73.2	76.0	78.5	74.3	66.7	74.6	68.3	76.8	61.7	77.3	62.4	75.7	71.6	80.4	76.2	73.7	75.7	73.5	74.3	70.0	74.0	70.8	74.9	72.1
Ala. & Miss.....	82.1	83.4	82.4	84.5	78.4	77.5	80.0	81.4	82.5	75.9	80.0	69.9	80.9	69.9	87.1	67.2	88.3	71.1	88.0	68.0	88.7	78.3	80.9	67.1
Ark., La. & Okla.....	56.3	72.7	58.2	82.9	57.6	79.8	57.0	80.3	56.6	77.4	58.5	71.4	69.2	69.0	67.8	68.6	62.8	56.9	57.8	58.0	60.8	59.8	67.3	58.3
Texas.....	79.3	86.4	64.3	86.6	52.8	78.1	54.8	58.5	46.1	44.6	36.6	38.0	32.2	38.0	44.3	50.4	54.6	49.1	61.3	73.2	83.5	85.1	83.8	85.1
Ida., Wyo. & Mont.....	71.7a	71.1	54.3	73.9	71.6	74.9	72.8	64.0	68.7	65.1	64.3	72.9	58.8	70.1	68.6	74.1	75.3	84.7	83.7	93.8	78.1	90.3	82.2	89.8
Ariz., Utah, Nev. & N. Mexico.....	.....	77.1	75.5	80.7	76.6	77.0	74.3	77.2	67.9§	73.2	67.0§	74.5	70.3	77.3	74.9	78.7	74.9	76.0	80.1	83.0	77.8	84.1	78.5	85.4
Colorado.....	74.5	73.4	78.3	76.2	76.5	75.3	74.2	75.0	76.7	72.6	71.6	74.4	65.9	77.7	63.4	69.8	63.1	72.6	65.9	77.3	69.4	75.0	71.5	74.4
Washington.....	60.2b	72.9	54.3	70.0	55.3	64.6	55.0	68.0	52.9	69.4	54.4	70.7	52.5	68.3	55.9	74.8	67.0	85.3	66.6	80.2	71.2	85.4	69.4	82.2
Oregon.....	.....	66.5	68.9	66.5	70.0	66.7	72.1	67.2	71.7	70.3	70.2	69.4	71.0	67.8	68.5	67.8	67.1	68.2	64.8	70.7	64.5	68.6	63.9	69.2
California.....	70.3	76.9	70.7	73.1	72.4	76.1	72.1	78.2	75.0	77.6	72.3	77.5	73.1	76.9	74.8	77.1	74.3	78.4	77.8	79.1	78.7	78.7	74.5	73.9
Average for Entire Country.....	67.6	67.7	68.7	68.3	70.8	69.9	69.8	71.8	68.6	71.0	67.2	71.0	67.1	71.2	67.9	71.9	66.1	74.3	66.4	76.3	68.8	77.1	68.1	75.9
Warehouses Reporting.....	1085	1229	1336	1227	1328	1221	1321	1218	1087	1223	1124	1220	1173	1223	1213	1226	1210	1222	1211	1229	1212	1272	1227	1302

\*Includes Maine and New Hampshire.  
b Includes Oregon.† Includes Iowa.  
§ Does not include Arizona.

‡ Includes Kansas.

a Includes Arizona, Utah, Nevada and New Mexico.

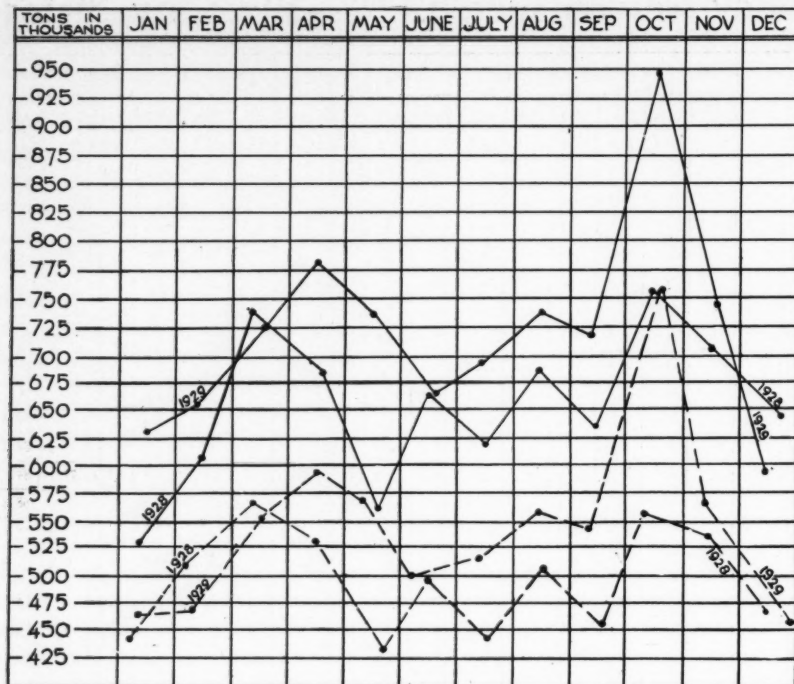
The best occupancy months, 1928 and 1929, for the various States, as indicated by the percentages, were as follows:

Month	1928	1929	Month	1928	1929	Month	1928	1929
Jan....	Conn.-R. I.	Ga.-Fla.	June....	Michigan	.....	Nov....	Ind. Minn. Ala.-	N. J. Ohio, Minn.
Feb....	Ky.-Tenn. Colo.	Mo. Ala.-Miss.	July....	Ark.-La.-Okla.	Ky.-Tenn. Colo.	Miss. Wash. Cal.	Carolinas. Wash.	
		Ark.-La.-Okla.	Aug....	Mass.-Vt.	Mass.-Vt.	Dec....	Ill. Mo. Dakotas.	Iowa. Nebr. Kan.
		Tex.	Sept....	Penna. Wis.	N. Y. Wis.	Nebr. Carolinas.	Ga.-Fla. Tex.	Ariz.-Utah-Nev.-
March..	Iowa. Del.-Md.-	Conn. R. I.	Oct....	Ohio. Ida.-Wyo.-	Penna. Ind. Ill.			New Mex.
	Dist. of Col.			Mont. Ariz.	Mich. Dakotas.			
April..	N. J. Ore.	.....		Utah-Nev.-New	Del.-Md.-Dist. of			
May....	N. Y. Kansas	.....		Mex.	Col. Ida.-Wyo.-			
					Mont. Ore. Cal.			

August in each year was the best occupancy month for Massachusetts-Vermont, September for Wisconsin, November for Minnesota and Washington, and December for Nebraska.

And it will be noted that in each year the final quarter contained the highest number of States' best occupancy percentages.

Tonnage Volume Chart for 1928-1929



Unbroken lines signify total volume of goods arriving at the reporting warehouses. Broken lines signify tonnage which entered storage out of total volume received. The balance was delivered on arrival.

Every warehouseman receiving the monthly questionnaires from the Department of Commerce owes it to himself and his industry to send in replies promptly.

(Continued from page 14)

four months is 94.9—by the Dakotas in December of 1928. The lowest is 42.1—by Massachusetts-Vermont in May of 1928.

### Tonnage

A STUDY of the tonnage phase of the chart on page 14 shows, in comparing rises and falls of the lines for the two years, that about April-May in 1929 the percentage situation reversed itself as compared with 1928.

In each of the four months, January, February, March and April, of 1928, the percentage of goods which entered the reporting warehouses (of total volume received) exceeded the percentages in the corresponding months of 1929.

This did not hold true during the ensuing eight months of 1928. For the eight months from May to December the percentage balance was in favor of 1929, for in each of these eight months of 1929 a larger percentage entered storage than during the corresponding month in 1928.

From May to October these two ton-

nage lines run about parallel, it will be noted. For the other months they indicate opposite trends.

Comparing this past December with the corresponding month in 1928, the respective percentages are 75.2 and 72.1, or a net gain of 3.1 per cent during the year.

This advance was reflected in five of the nine divisions into which the country is divided for the purpose of these statistics, as the following comparisons show:

Division	Percentage Entering Storage		Gain or Loss
	December 1928	December 1929	
New England.....	76.7	80.4	+ 3.7
Middle Atlantic.....	82.4	82.6	+10.2
East North Central.....	77.5	88.7	+11.2
West North Central.....	81.8	78.0	- 3.8
South Atlantic.....	52.2	38.9	-13.3
East South Central.....	70.7	73.8	+ 3.1
West South Central.....	78.0	74.1	- 3.9
Mountain.....	62.6	68.8	+ 6.2
Pacific.....	65.4	61.9	- 3.5
Entire United States....	72.1	75.2	+ 3.1
Warehouses reporting...	1227	1302	.....

### The New Year

JANUARY marked the beginning of the third year of this Government service. The January figures in the table on page 17 are subject to revision based on later returns. They indicate an occupancy recession of 1.1 per cent from the December level, the percentage marks being 74.8 (provisional) for January and 75.9 for December for the entire country. The January figure, 74.8, is a distinct gain, however, over the January, 1928, and January, 1929, marks. Table No. 1

on page 14 shows that these were, respectively, 67.6 and 67.9.

Comparing the States' provisional January occupancy percentage marks, 1930, with their January levels of 1928 and 1929 (as shown in Table No. 2 on page 15), we find higher percentages in all the States except Connecticut and Rhode Island, Wisconsin, the Dakotas, Delaware and Maryland and District of Columbia, Kentucky and Tennessee, Alabama and Mississippi, Arkansas and Louisiana and Oklahoma, Texas and California.

During January, 1930, there arrived at the reporting warehouses 566,778 tons, of which 422,976 tons, or 74.5 per cent, went into storage, the balance being delivered on arrival. This compares with 75.2 in the previous month, when 451,891 tons entered storage out of 699,891 arriving tons.

This recession of seven-tenths of 1 per cent was not reflected in five of the divisions, as the following comparisons indicate:

Division	Percentage Entering Storage		Gain or Loss
	Dec. 1929	Jan. 1930	
New England.....	80.4	81.1	+0.7
Middle Atlantic.....	92.6	91.1	-1.5
East North Central.....	88.7	88.6	-0.1
West North Central.....	78.0	77.6	-0.4
South Atlantic.....	38.9	41.2	+2.3
East South Central.....	73.8	67.6	-6.2
West South Central.....	74.1	74.5	+0.4
Mountain.....	68.8	71.8	+3.0
Pacific.....	61.9	62.0	+0.1
Entire United States....	75.2	74.5	-0.7
Warehouses reporting...	1302	1309	.....

Comparing the divisional provisional January tonnage percentage marks, 1930, with January, 1928, and January, 1929, figures, we have the following:

Division	Percentage Entering Storage, January		
	1928	1929	1930
New England.....	77.6	80.6	81.1
Middle Atlantic.....	90.6	79.9	91.1
East North Central.....	87.7	85.9	88.6
West North Central.....	78.1	79.0	77.6
South Atlantic.....	81.0	47.9	41.2
East South Central.....	79.9	78.9	67.6
West South Central.....	75.4	81.4	74.5
Mountain.....	69.2	61.8	71.8
Pacific.....	80.6	57.1	62.0
Entire United States....	83.3	73.2	74.5
Warehouses reporting...	1085	1229	1309

### Receivership Ends— New Detroit Firm Is Headed by Brown

THE receivership of the Detroit Railway & Harbor Terminals Co. which was established in Detroit in 1926, has been terminated, it is announced by Harold L. Brown, who was the firm's manager.

The plants have been sold to a newly-incorporated company, the Detroit Harbor Terminals, Inc., which began operation of the business on March 5.

Mr. Brown is president of the Detroit Harbor Terminals, Inc. Harry D. Graham is vice-president and E. A. Barnett is secretary.

"The new company will have adequate capital to carry on the business," Mr. Brown states.



**PUBLIC MERCHANDISE WAREHOUSING**  
**December, 1929-January, 1930**

Division and State	Number of Warehouses		Per Cent of Floor Space Occupied		Tonnage			
					Received During Month	Delivered on Arrival	Received During Month	Delivered on Arrival
	Dec. 1929	Jan. 1930	Dec. 1929	Jan. 1930	December 1929		January 1930	
<b>NEW ENGLAND:</b>								
Mass. and Vt.	45	45	*50.8	49.4	11,537	1,220	12,914	1,271
Conn. and R. I.	17	17	50.9	53.1	4,011	2,565	4,724	2,700
<b>MIDDLE ATLANTIC:</b>								
N. Y. Metropolitan Dis. (1).	*361	371	*83.5	80.2	*87,093	*1,500	61,562	1,836
Brooklyn	*246	250	*86.4	80.1	*56,512	*151	31,750	131
Manhattan	*71	76	*78.9	82.3	*9,149	*348	8,348	355
Nearby N. Jer. and all other.	44	45	81.9	78.5	*21,432	1,001	21,464	1,350
New York	*357	367	*82.2	78.8	*81,333	*5,823	56,800	5,881
New Jersey	52	52	*81.2	78.2	*15,959	1,063	15,216	1,225
Pennsylvania	55	55	71.7	75.8	31,760	4,213	29,106	3,558
<b>E. NORTH CEN.:</b>								
Ohio	32	32	90.9	91.6	*35,486	*4,429	33,408	3,688
Indiana	24	24	*79.4	80.5	2,230	*1,314	2,336	1,333
Illinois	64	64	82.2	82.9	56,854	3,975	59,767	4,479
Michigan	45	45	84.0	84.7	53,653	2,722	56,608	3,032
Wisconsin	*56	56	*68.3	70.7	*14,842	*2,790	16,812	3,089
	38	38	*86.4	79.0	*5,820	*2,218	4,659	2,466
<b>W. NOR. CEN.:</b>								
Minnesota	36	36	*85.3	83.5	*16,086	*6,108	13,512	5,469
Minneapolis and St. Paul	32	32	*85.1	83.1	*15,497	*6,355	12,958	4,917
Iowa	23	23	*78.5	80.2	*6,784	1,831	8,127	2,130
Missouri	*37	38	*83.5	84.4	*19,261	1,881	19,554	2,007
St. Louis	12	13	78.3	80.5	6,584	291	5,455	465
N. Dak. and S. Dak.	9	9	*92.9	93.1	*1,716	*211	1,833	315
Nebraska	24	23	89.2	84.1	*9,881	2,228	6,650	2,415
Kansas	21	21	87.5	81.8	3,907	4,032	3,124	2,867
<b>SO. ATLANTIC:</b>								
Del., Md. and D. C.	42	42	59.7	59.8	21,455	7,532	23,296	7,823
Va. and W. Va.	30	30	70.7	70.2	*6,223	*42,360	5,351	42,047
N. Car. and S. Car.	12	12	70.1	71.8	1,581	407	1,576	563
Georgia and Florida	31	31	73.0	74.2	5,121	3,668	7,342	3,130
<b>E. SOUTH CEN.:</b>								
Kentucky and Tennessee	16	15	72.1	68.4	*5,982	*1,568	4,861	1,806
Alabama and Mississippi	16	16	67.1	67.1	1,492	1,089	1,280	1,148
<b>W. SOUTH CEN.:</b>								
Ark., La. and Okla.	24	22	*58.3	55.1	16,605	4,690	24,606	6,696
Texas	58	58	85.1	85.6	16,735	6,938	15,882	7,172
<b>MOUNTAIN:</b>								
Idaho, Wyo. and Mont.	8	9	*89.8	92.5	*773	*1,117	720	925
Ariz., Utah, Nevada and New Mexico	16	16	85.4	78.4	7,476	1,243	7,275	1,100
Colorado	18	17	74.4	76.1	612	1,650	1,199	1,581
<b>PACIFIC:</b>								
Washington	31	31	82.2	80.2	9,950	10,038	9,462	9,626
Oregon	7	7	69.2	68.5	*16,152	*14,765	8,184	8,133
California	*103	103	*73.9	72.3	*23,554	*5,747	23,217	7,333
<b>Total for United States</b>	<b>*1,302</b>	<b>1,309</b>	<b>*75.9</b>	<b>74.8</b>	<b>*451,178</b>	<b>*148,713</b>	<b>422,802</b>	<b>143,976</b>

\*Revised.

(1) Because of the importance of this territory, figures are shown separate from the State totals; this area includes all of the boroughs of New York and adjacent New Jersey territory.

**Trans - Continental  
Removes in Chicago**

THE Trans-Continental Freight Co. established new offices in Chicago late in March. The removal was from 7 South Dearborn Street into Suite 819 of the Monadnock Building at 53 West Jackson Boulevard.

F. L. Bateman, president, and W. L. Taylor, secretary and treasurer, remain at the South Dearborn address. It is the program of the United States Freight Co. to have the general offices of all its subsidiaries, the Universal, Trans-Continental and Nicholson Universal Steamship Co., in a new terminal which is expected to be built next year,

The annual Warehouse Directory is the recognized reference book of the industrial sales and traffic manager.

at which time the executive officers of all the subsidiaries will be grouped.

The removal to the Monadnock Building was done by the Federal Fire Proof Storage Co., which got the job in a lottery drawing at the March meeting of the Illinois Furniture Warehousemen's Association, at the Traffic Club in the Palmer House on St. Patrick's Day. The names of the member companies represented were placed in a box, and after due ceremony the drawing was done by Al Schaefer of the National Furniture Warehousemen's Association.

**"Industrial Tug"  
—a New Type of  
Hauling Tractor**

THE Whitehead & Kales Co., Detroit, has placed in production a new industrial tractor, gasoline type, employing the Standard Ford Model AA truck motor as its power unit. It is called the "W&K Industrial Tug."

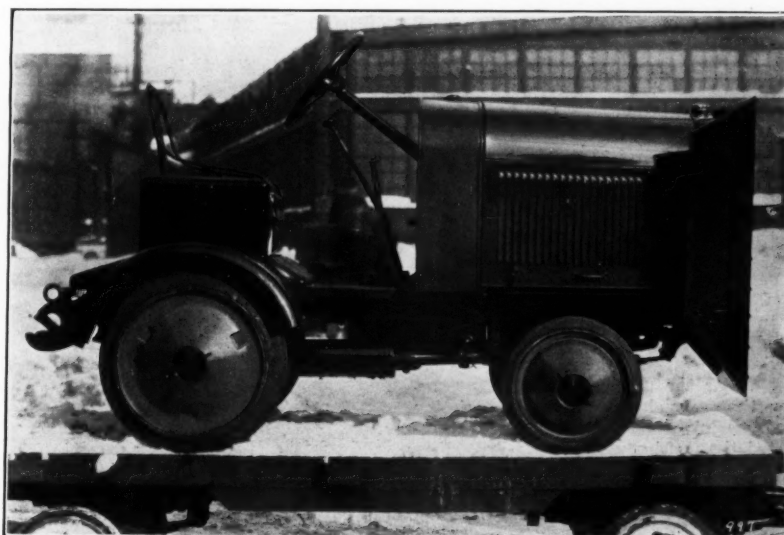
This new piece of equipment is designed for all industrial hauling purposes in manufacturing plants, warehouses and railroad yards and on docks—wherever a small but powerful unit is required.

The "W&K" tractor is spring mounted, front and rear. It is 8 feet long overall and has a turning radius of 8 feet. All wearing parts are Standard Ford AA truck parts—motor, 4-speed transmission, radiator, starter, steering gear, spindles—thus simplifying servicing and keeping service expense at a minimum.

The tractor has a draw-bar pull of approximately 1500 pounds, with a speed of 19.7 m.p.h. in fourth speed, at 2000 r.p.m. Its total weight is about 2450 pounds. It is furnished complete with battery, coupler, radiator guard, spring seat, generator and starter.

A special feature of the design is the cone-shaped disc-type self-deflecting wheels. Special dust proof bearing retainer plates eliminate the use of any hub caps.

The "W&K Industrial Tug"



# Transferring Merchandise Without Consent of Owner

Increases the Liability  
of the Warehouseman

Twenty-seventh of a Series of Legal Articles

By LEO T. PARKER  
Attorney-at-Law

**F**EW warehousemen realize the increased liability for loss or damage to stored goods which are removed from one location to another without obtaining consent of the owner of the merchandise. This rule is based on the established law that a breach of a contract arises where the warehouseman fails to store goods in the agreed location, unless a subsequent or supplementary contract is made by the terms of which the patron agrees to his merchandise being transferred and stored in a different warehouse or in another location in the same building.

One leading case on this subject is *McCurdy v. Wallblom Co.*, 102 N. W. 873. Here a warehouseman agreed to store goods in a specified warehouse building. Later he removed the goods to another building without notifying the owner or obtaining the latter's consent. The goods were destroyed by fire without negligence on the part of the warehouseman or his employees.

Notwithstanding the settled law that a warehouseman

who fulfills a storage contract, and exercises ordinary care to safeguard the stored goods, is *not* liable for loss or damage to the merchandise, the Court promptly held the warehouseman liable, stating the following important law:

"Where goods, which have been removed by the bailee from an agreed to another place of storage without notice to or consent of the bailor, are destroyed by fire, the bailee is liable in an action at law for the reasonable market value of the goods. . . . The bailor is entitled to the safety, to the convenience, and to any and every advantage of the agreed location. He is entitled to unchanged hazards as to things priceless to him personally, as well as to things only merchantable, and to insure or not, according to his judgment with reference to the place agreed. The bailee may not, to suit his own whim or interest, change his place of business and move the goods to a new place, and, if the goods be destroyed, refuse the bailor both his property and its value."

## Storing in Different Rooms

**A**LSO it is important to know that a warehouseman may be held liable as an insurer against loss or damage to stored goods if he fails to store the same in any particular location in the warehouse, providing the testimony shows that the patron directed that the merchandise be stored in a selected location and the warehouseman expressly or impliedly agreed to store it there.

For illustration, in *Mortimer v. Otto*, 99 N. E. 189, it was disclosed that an owner of goods selected a special room in which he directed the warehouseman to store his merchandise. The warehouseman failed to store the goods in this room but, without knowledge of the owner, he selected another room supposed to be equally safe.

The merchandise was destroyed by fire when the warehouse burned, and the owner filed suit to recover the value of the goods. It is interesting to observe that the higher Court held the warehouseman liable, and said:

"The plaintiff [patron] deposited his property with the defendant and a regard for its safety and security was obviously within their contemplation. . . . For the purpose of making effective that regard, he, with the permission and concurrence of the defendant, selected the precise place of storing. Fire is an ordinary and frequent agency of destruction or injury, and safety, as against it, was in the contemplation of

the parties when they agreed that the property should be stored in the specified room. Had the property been there stored, the plaintiff would have assumed all the risks of injury to it, except those ordinarily imposed by law upon the defendant as bailee. . . . The defendant [warehouseman] violated his agreement, and therefore is liable, at least for nominal damages."

## Increased Damages Allowable

**O**BVIOUSLY a warehouseman who agrees to store goods in a fireproof building, and later transfers them to a less secure building, may be held liable for a greater sum of damages than where he merely changes the location of the merchandise to a place equally as safe as the agreed location. In some instances evidence of this fact may be inducive to the jury to allow the patron a large amount of damages.

For example, in *Locke v. Wiley*, 105 Pac. 11, a warehouseman who agreed to store goods in a fireproof building transferred them to an adjoining frame building, which burned. In holding the warehouseman liable for payment of heavy damages, the Court said:

"An agreement to keep property in a certain kind of a building is not satisfied by placing and keeping it in a different kind of a warehouse, and especially one less secure than the kind of warehouse provided for in the agreement. . . . Wiley [patron] had a right to insist on the security and every advantage there is in a brick warehouse, and when appellant [warehouseman] stored the goods in another building, where they were burned, he made himself liable for the value of the goods destroyed. . . . Such a state of facts makes out a case of the defendant having taken the plaintiff's goods to a place where he had no right to take them. Therefore he must pay."

## Next Month

**O**FTEN it is important for a storage executive to know whether a contract may be rescinded or cancelled without incurring liability. Also he may have occasion to determine the legal rights and liabilities of a customer who refuses to fulfill contractual obligations.

These problems will be taken up by Mr. Parker in his article to appear in the May issue. What contracts are, the rights of contracting parties, contract by correspondence, breaches of contract, implied contracts, good faith, fraud and deceit—these and other points will be considered, with Court decisions quoted.

### Invalidates Insurance Policy

ANOTHER reason why warehousemen should never transfer stored goods from one location to another without obtaining the consent of the owner is that an insurance policy held by the latter may be invalidated.

For instance, in *Lilley v. Doubleday*, 7 Q. B. Div. 510, it was disclosed that a warehouseman contracted to store certain goods at a particular place, but he warehoused a part of them at another place, where, without negligence on his part, they were destroyed.

The owner insured the goods, giving the place where the warehouseman contracted to warehouse them, and in consequence lost the benefit of the insurance. In a suit by the owner to recover the value of the goods, the Court held the warehouseman liable, and said:

"I think the plaintiff [owner] is entitled to recover. . . . The defendant [warehouseman] was intrusted with the goods for a particular purpose, and to keep them in a particular place. He took them to another and must be responsible for what took place there. . . . I do not give any opinion whether what was done here amounted to a conversion, but I base my judgment on the fact that the defendant broke his contract by dealing with the subject-matter in a manner different from that in which he contracted to deal with it."

Therefore a warehouseman who fully transfers stored merchandise from one location to another, without giving the owner notification and obtaining his consent, is liable for the value of the goods although the owner has insured the merchandise against loss. This is true because an insurance policy is void in which the location of the stored goods is incorrectly given.

Still another important point of the established law is that, although the warehouseman notifies the insurance agent that the insured goods are being transferred, the former is not relieved from liability unless he is positive that the agent makes the required changes in the patron's insurance policy.

For example, in *Conover v. Wood*, 51 N. W. 227, a warehouseman, without obtaining consent of the owner, transferred stored goods to a different warehouse. The warehouseman knew that the owner had insured the goods and he, therefore, notified the insurance agent to change the policy to conform with the new location of the merchandise.

The agent carelessly forgot to correct the policy and the owner sued to recover from the warehouseman the value of the goods which were subsequently destroyed by fire. In holding the warehouseman liable, the Court said:

"There was testimony on the part of the defendant [warehouseman] to the effect that soon after the removal of the goods to the New Security warehouse, they had, through the telephone, a conversation with the agent of the insurance company, in which, after he had informed him of the removal. . . . There was no evidence that defendant had authority from plaintiff [patron]

to make any arrangement with the agent of the company with regard to insurance."

### Notification Is Insufficient

IT was held in *R. A. Weigel v. W. C. Reebie & Brother, Inc.*, 192 Ill. App. 283, that where an owner of goods contracts with a warehouseman to store the goods in a fireproof room, knowledge upon the part of the owner that the warehouseman has stored the goods elsewhere does not relieve the warehouseman from liability if the goods are destroyed.

In other words, where the warehouseman makes an absolute contract to store goods in a particular location he should obtain the written consent of the owner to transfer them. Otherwise he may be liable for any loss or damage to the merchandise resulting from any source or cause.

In *Mandl v. McKegney*, 162 N. Y. S. 900, it is interesting to observe that a warehouseman mailed letters to his customers, as follows:

"This is to advise you that effective on and after April the 1st, the business formerly conducted under the name of Penna. Terminal Storage Warehouse, T. McKegney, Prop., will be transferred to 519-21-23 West 38th Street, under the management of the undersigned, and will be conducted under the name of Penna. Storage Warehouse."

Later the goods transferred to the new location were destroyed, and the owner filed suit to recover their value on the contention that the warehouseman had not obtained his consent to remove the merchandise.

Although this letter was not answered by the owner of the goods and who later paid a storage bill to the new company, the Court held the warehouseman liable for the loss, and said:

"For aught that appears in this letter, the defendant [warehouseman] might have been merely simplifying his trade-name by dropping the word 'Terminal' and transferring his headquarters to the new address. Plaintiff was entitled to an unambiguous notice before he could be held to have waived his right."

### Must Specify Location

ON the other hand, the mere fact that a warehouseman has a warehouse or his office located in a building does not render him liable for the loss of goods stored in another building, unless he agrees positively to store the goods in the latter building.

For illustration, in *Kennedy v. Portmann*, 70 S. W. 1099, it was disclosed that a warehouseman had his office in a large fireproof building. He maintained a warehouse in a building at a different location having great fire hazard. The owner of merchandise went to the warehouseman's office and arranged for storage of his merchandise, believing that it would be stored in the building in which the warehouseman maintained his office. Later the warehouse burned, destroying the stored goods. The cus-

tomers filed suit on the ground that the warehouseman was liable because he did not inform the former that he intended to store the merchandise in a different building from the one in which the contract for storage was signed.

However, in view of the testimony that the warehouseman did not specifically promise, nor lead the patron to believe that he intended, to store the goods in the fireproof building, the higher Court reversed the lower Court's decision which held the warehouseman liable; the higher tribunal said:

"There was no evidence that Woempner [warehouseman] said anything about the northwest corner of Twenty-eighth Street and Cass Avenue, and the use of that language over-emphasized the effect of the testimony for the plaintiff."

Also it has been held that a warehouseman is not liable for loss of goods which he transfers, without the owner's consent, from one warehouse to another building, unless he specifically agreed to store the merchandise in the warehouse from which it was removed.

For instance, in *Barnett v. Tonnies*, 180 S. W. 1000, it was shown that a warehouseman accepted goods for storage and issued a receipt which contained a clause stating that the goods "were being kept for storage for one dollar per month." The location of the warehouse was not contained in this receipt.

After the goods had remained in storage for several months the warehouseman constructed a new warehouse and moved the goods into it without obtaining consent of the owner of the merchandise. Lightning struck the new warehouse, destroying it and all the goods stored therein. The owner of the goods sued to recover the value of his destroyed property on the contention that the warehouseman was liable because he had removed the merchandise from the old warehouse into the new building.

However, as it was not proved that the warehouseman had expressly agreed to store the goods in the old warehouse, the Court held the warehouseman not liable, saying:

"No negligence on the part of any one in any way causing or contributing to the loss of the goods is asserted or proved. It is not claimed or shown that the goods were not properly cared for at all times and stored in a reasonably safe place, or that the new warehouse was less safe or more likely to be struck and its contents destroyed by lightning than the old one. . . . The storage ticket or receipt evidencing the contract between these parties recites no more than that defendant received of plaintiff goods 'for storage for one dollar per month.' To say the least, the evidence is conflicting as to there being any agreement to keep the goods at a specified place."

### Inherent Nature of Goods

NOTWITHSTANDING the established law on this subject, it is well settled that although a warehouseman,



without consent of the owner, removes the goods from the place where he contracts to keep them and stores them in another place which is equally suitable and safe for the purpose, the warehouseman is not liable for a loss which results from the inherent nature of the goods. This is particularly true if the loss would have occurred equally had the goods not been removed.

For example, in the leading case of *Roy v. Adamson*, 3 D. L. R. Quebec, 139, a warehouseman contracted to store canned tomatoes in his warehouse for five years at a stipulated storage charge. Before the five years expired the warehouseman moved to another location and transferred the tomatoes, without obtaining consent of the patron.

When the owner called for the tomatoes he discovered that many of the cans were bursted. He sued the warehouseman to recover damages on the

grounds that the latter was liable because he moved the goods without obtaining permission to do so and without sending notification.

It is important to know that the Court held that the warehouseman was not liable for the loss caused by the bursting of the cans, because he proved that the warehouse to which they were removed was a fit and proper place in which to store them and that he had exercised due care when transferring the merchandise.

#### Liability of Gratuitous Bailee

OBVIOUSLY the liability of a warehouseman who stores goods without charge or for accommodation is reduced from the liability of a warehouseman who makes storage charges for his services.

For instance, in *Texas Co. v. Flanary*,

50 S. W. 726, a warehouseman, who stored wool for the accommodation of its owner, removed it from one building to another. The wool was destroyed, and the owner sued to recover its value because the warehouseman had failed to obtain his consent to transfer the goods. Also he proved that the warehouseman did not employ a watchman at the building to which the wool was transferred. However, as the warehouseman, in this case, was a gratuitous bailee, the Court held the owner not entitled to a recovery, and said:

"We know of no instance in which a bailee who has possession of goods, solely for the benefit of the bailor, is required to exercise diligence to the extent of employing a watchman to guard against danger to the property. . . . It is true the defendant [bailor] removed the wool without giving the plaintiff [owner] notice."

#### Bekins Interests Acquire Warehouse, the Twenty-eighth, Located in Beverly Hills, Cal.

THE Bekins Van & Storage Co., operating household goods depositories in California cities with headquarters at Los Angeles, obtained possession on Feb. 24 of the storage building formerly operated by the Beverly Hills Storage Co. on Canon Drive in Beverly Hills, Cal. The sale was a cash transaction, according to Milo W. Bekins, president.

This is the twenty-eighth fireproof warehouse now owned and operated by the Bekins interests in fifteen Pacific Coast centers: Los Angeles, Hollywood, Beverly Hills, Pasadena, Santa Barbara, San Francisco, Oakland, Berkeley, Sacramento, Fresno, Spokane, Tacoma, Seattle, Portland and Vancouver.

The Beverly Hills structure is 50 by 150 feet, six stories high, containing approximately 45,000 square feet of floor space. Erected two years ago, it is of reinforced concrete. It has been remodeled by the Bekins firm to provide every modern storage facility and was placed in operation early in March. One of the Bekins' familiar red Neon signs has been placed above the roof.

Announcement is made also of the purchase of five new six-cylinder motor vans—White, Mack and G.M.C. Each has a capacity of 800 cubic feet and is on pneumatic tires.

#### Plan to Organize Motor Freight Men on National Basis

A MOVEMENT to organize a national motor freight association has been inaugurated by the Central Motor Freight Association, with headquarters at 221 East 20th Street, Chicago.

A national conference of secretaries and members of all State and local motor trucking associations is planned for April 26 in Chicago, according to letters of invitation distributed by the Central, which is an association of motor freight lines operating out of Chicago.

To "fight the battles of the interurban

and long distance motor truck operators" would be one of the objectives of the proposed national organization. The Florida 2-cent mileage tax on loaded and empty vehicles and California's 5 per cent tax on gross revenues of motor freight lines are cited as two examples of unfavorable legislation.

A. S. Sorensen, treasurer of the N. C.

Sorensen Motor Express Co., Inc., Chicago, is president of the Central association. The vice-president, Ross Greenawalt, is a past president of the Motor Truck Association of Indiana, Inc. I. W. Hart is treasurer, R. B. McCoid is secretary, and the executive board includes I. W. Hart, H. H. Hiland, P. H. Kipp, Rudolph J. Olson and Volney Lay.



# Bus Regulation Principles May Be Applied to Trucks

*Parker Bill, Enacted by House, Is  
Expected to Be Basis of Federal  
Supervision of Freight Carriers*

By HORACE H. HERR

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

PASSAGE of the Parker bus bill by the House of Representatives clearly indicates that Congress is determined to apply Federal regulation to this field of transportation. Some doubt is expressed as to the Senate getting action on the measure before the summer adjournment, but the chances are that the Senate will enact the measure, although that action may be deferred until the short session of Congress next winter.

Representative James S. Parker of New York, chairman of the House Committee on Interstate and Foreign Commerce, was in charge of the bill during the debate, which lasted almost a week in the House, and his defense of the measure was held to have been a factor in its passage.

Essentially a motor bus bill, dealing directly with operation of motor vehicles in interstate passenger traffic, it is of general interest to all motor vehicle carriers as indicative of the trend in regulatory legislation. The reasonable expectation is that eventually the motor truck freight lines engaging in interstate business will encounter Federal regulation. That the principles applied in the regulation of motor buses, in so far as they are adaptable to motor

truck conditions, will be followed when Congress finds it expedient to extend Federal regulation to freight vehicles, is obvious.

Explaining the measure, at the opening of the debate, Representative Parker plainly indicated the limited field for the present program. "Motor vehicles are defined as motor vehicles used for the transportation of persons—that is, motor buses—and the term does not include motor vehicles used exclusively in the transportation of property; that is, motor trucks," Chairman Parker said. "In limiting the scope of the bill to the regulation of bus transportation, the bill deals with the problem that requires more immediate attention of Congress; that is, the protection and promotion of the comfort and safety of the traveling public. This limitation and scope of the bill also accords with the views of the Interstate Commerce Commission that the regulation of motor bus lines is practicable and presents fewer difficulties than the regulation of motor carrier truck lines. The Commission further states that while experience may in the future show that the interstate transportation of property by motor vehicles operated as common carriers on the public highways should be regulated, there does not appear at this time public need therefore."

AS interpreted by Chairman Parker, "substantially the sole regulations with regard to property are those which provide that the indemnity bonds and insurance policies for the protection of the public from unsatisfied judgments against motor carriers are to cover judgments involving injury or loss of property such as baggage, other motor vehicles, or property along the highway."

Passenger busses are divided into three classes: the first, motor vehicles, as school and hotel busses and taxicabs, does not come within the scope of the bill; the second class is the motor vehicle used and operated as a common carrier; the third class is the motor vehicle used in chartered service.

"As to the two regulated classes of carriers—that is, common carriers and the charter carriers—much more comprehensive regulations are set up by the bill with respect to the former," Chairman Parker told the House. "For example, the common carriers by motor vehicles are subject to, first, the provisions requiring the securing of certificates of public convenience and necessity; second, requirements with respect to rendering continuous and adequate service at just and reasonable rates, with respect to a uniform system of accounts and reports, and with respect to pick-up and delivery points; third, the

THE "wise ones" at Washington say that the Parker motor bus regulation bill as enacted by the House—see accompanying text for background—is more important than is generally understood. For example, one provision excludes from valuations, for rate-making purposes, all consideration of franchise rights, good will and other intangible values, whereas in various cases the United States Supreme Court has upheld the theory that such intangibles shall be considered in fixing valuations.

Nearly all members of the House Committee on Interstate and Foreign Commerce agree that it is only a question of time before Federal regulation is extended to include motor truck lines, and that the principles set up in the Parker bus measure will be followed when dealing with the truck phase of the problem. Accordingly these bus regulation principles are of importance to warehousemen as operators of trucks.

requirement that the Commission's approval must be obtained before there can be a consolidation, merger, or acquisition of control of any such carrier; fourth, the requirement that rates shall be just and reasonable, and fifth, the provisions requiring filing, observance, and changing of rates, fares and charges—none of which provisions applies to charter carriers by motor vehicle."

Section 3 of the bill deals with the important administrative features. Sub-section (a) authorizes the Commission to refer any matter arising under the administration of the Act—except a matter required to be referred to a joint board—to any member or examiner of the Commission. This member or examiner will hear the case and file a recommendation and, unless stayed or postponed by the Commission within ten days, the recommendation becomes the order of the Commission.

Sub-section (3) has the important provisions which retains for the States a maximum of power in the regulatory program. It provides that in case a matter required to be referred to a joint board, the Commission will create such a board. It will consist of a member from each State in which the carrier operates or proposes to operate. The

(Concluded on page 51)

## Warehouse Receipts Included in New Commercial Documents

**N**EW instruments of commercial credit which recognize, through radical changes from forms long used, the growing importance of modern warehousing in America's ten-billion-dollar foreign trade, have recently been introduced into trade credit channels. They are asserted to represent the first basic improvement in such instruments in scores of years.

The documents are declared to differ in scope, aim and essential provisions from similar facilities hitherto furnished by financial and banking institutions, not excluding factors, and to furnish bankers a basis for security for loans on goods in transit or destined for storage at distant points.

Perfected by the Bush Service Corporation, Inc., identified with the Bush Terminal Co., New York and London,

## Bush Terminal Co.'s "Continuous Possession" Forms Cover Storage and Handling Abroad

as an integral part of its recently-instituted service to foster and facilitate international commerce, the forms were designed to meet two general problems:

1. To widen the security for advances on goods in transit for foreign trade so that bankers might further extend credit in that field and thus release additional producer-credit for productive activities.

2. To reduce to the lowest possible degree the risks and hazards of the manufacturer caused by divided responsibility for his goods in transit and in storage, by consolidating all responsibility in a single agency under a single, simplified contract agreement replacing the numerous and obscurely-phrased documents now required.

The new instruments are described as follows:

**F**IRST, the Bush Service Certificate. This is a "document of continuous possession," comprising in effect a through bill of lading for rail and ocean transit, for intermediary carriage, storage and handling, and a warehouse receipt. Thus are covered in a single document, and under wide and specifically-declared responsibility, the hitherto much divided undertakings required in transport of goods from a point in the United States to a destination abroad.

Second, the Bush Trade Facility Warrant. This is a "document of continuous possession" with *guaranteed maturity*. It embodies the same broad responsibilities embraced in the certificate form but with a definitely-fixed period of maturity, and is designed to provide credit advances on goods warehoused abroad; whereas the certificate is intended to cover goods shipped against contingent or expected orders or against firm orders.

Both differ from forms now used, through the specific assumption, by Bush Service, of responsibility for the goods, to an agreed value, under practically any condition that may arise, in the fixation and maintenance of that responsibility in a single agency, and in the simplification of phraseology to avoid hidden or disguised limitation of responsibility and reliability of the insurer in case of loss.

"From the banker's standpoint," it is explained on behalf of the Bush company, "the security offered is tremendously strengthened, for, beyond the drastic reduction of loss and damage factors through elimination of intermediary handling—the collateral for his loan being at all times in possession of the same responsible agency—any loss claim which may arise lies against Bush Service's capital, which in turn is backed by adequate insurance protection not subject to many of the exceptions heretofore written into such policies.

**T**HE Bush Terminal Co.'s "straight line distribution plan"—introduced to provide American producers with storage, commercial and financial facilities to and in foreign countries—was explained in the March issue of *Distribution and Warehousing*. In that article was mentioned the Bush "document of continuous possession"—a combination of warrant with ocean bill of lading and/or railway bills, representing the continuing responsibility of Bush for shipment from point of origin to point of destination.

This "document of continuous possession"—in reality two documents, one being a certificate and the other a trade facility warrant—is described and its purposes set forth in the accompanying text this month.

"Hitherto, bills of lading have strictly limited the obligation of the issuer to the known (and frequently also to the unknown!) 'legal and customary' limitation of obligations of his agents, their agents, sub-agents, intermediary carriers and incidental warehousemen servicing the shipment in its various stages.

"So attenuated have these obligations become, and so involved these various limitations, that a shipper, no matter how familiar he might be in handling the customary forms, was unable with any degree of accuracy to say how far his protection extended. Volumes of Court rulings have grown out of efforts

to solve any legal action for resulting tangles.

"For instance, an export shipment from an inland manufacturer to Berlin has required separate documents to cover (1) railroad to seaboard, (2) trucking at seaboard, (3) warehouse, pier or customs receipts, (4) ocean bill of lading to Rotterdam, (5) trucking at Rotterdam, (6) railroad or other transit from Rotterdam to Berlin, (7) trucking at Berlin, and (8) possibly warehousing at destination.

"Over the long years of usage and 'whittling,' each of these eight forms has come to be drawn with great caution with the view to limiting most severely the responsibility of each individual agency. The forms have been so generously larded with 'ifs, ands, buts, whereases and provisos' that distracted shippers have found them veritable verbal sieves, the size of the mesh depending on the acumen of counsel for plaintiff or defendant.

"Comprising all the various sub-agencies within its own compass, Bush Service has eliminated virtually all limitations and exceptions with one wide sweep. Acts of God and disabilities inherent in the commodity are about the only exceptions remaining.

"The new form not only compresses all undertakings into a single contract under a single responsibility from start to finish, but as far as possible is divested of cumbersome legalistic phraseology.

"According to banking and shipping experts the new facilities should at once make themselves an influence in assisting extension of sales activities by American manufacturers in foreign countries (and conversely) by providing hitherto unavailable facilities for safe and rapid turnover of capital.

"The producer with limited capital was kept particularly in mind in the



designing of the new facilities, but initial response has shown they have met a need felt by the largest manufacturing organizations.

"Use of the certificate is expected to appeal especially to shippers whose line of credit with their own banks is adequate to cover all their needs, domestic and foreign. There Bush Service simply provides perfected procedure to facilitate banking operations, and assures increased security to the bank.

"The trade facility warrant, on the other hand, is designed for shippers who do not desire to divert any of their regular credit line to promotion of their

foreign trade. On this instrument, Bush Service itself, under certain conditions, makes advances—on stocks in its control, of up to 60 per cent of the agreed value.

"Bush Service certificates represent an assignable and transferable instrument issued for merchandise of approval value handed over to Bush Service Corporation at any point in the United States, Canada or Europe (Russia excepted) and intended for any other point within the same territories—with such wide obligations on the part of the corporation for proper transportation, safekeeping, safeguarding, and for holding

on account of the owner until delivery against cash, or otherwise, as prescribed by the owner—that it enables the shipper's banker to loan with utmost safety upon all goods for which such certificates are issued.

"The underlying basis of all Bush Service financing is that it exercises control of the goods throughout until delivery is made and the equivalent values collected."

It is emphasized that the financial setup is not offered for the sole purpose of employing Bush Service's funds or credit but only as an adjunct of its commercial or physical services, or both.

### *Group Storage Plan of Associated Grocery Manufacturers Will Be Tried First in Philadelphia with Two Warehouses Yet to Be Selected*

THE group warehousing plan of the Associated Grocery Manufacturers of America—an idea looked upon with some disfavor by storage executives, as indicated by discussion at the Biloxi convention of the American Warehousemen's Association last January—will go into effect shortly with Philadelphia as the first marketing center selected for the experiment.

Announcement of this decision was made in New York on March 8 by Robert F. Miller, executive vice-president of the A. G. M. A., which embraces 182 companies, with many subsidiaries, having plants in all parts of the country.

"We have not yet definitely decided upon the location of the warehouses which we will use at Philadelphia, but expect to do so within a few weeks," Mr. Miller's statement said in part.

Two public warehouses will be selected in Philadelphia. This means that all the member companies of the association which distribute in the Philadelphia territory will be expected to concentrate their stored goods in those particular warehouses. Any of the members' stocks which now may be in storage in any other Philadelphia warehouses would be withdrawn, if cooperation proved 100 per cent among the manufacturers identified with the organization.

The merchandise involved includes canned foods (other than food products in package form), soaps, cleaners, extracts, beverages, salt, sugar, matches, tea, coffee, chocolate, baking powder, yeast, flour, spices and other condiments, paper, polishing compounds—in fact, nearly all types of package or specialty merchandise sold in grocery stores.

Mr. Miller explained that the plan of group or centralized warehousing, "with its accompanying economies in distribution," had been the subject of "careful study" by the manufacturers for a considerable time, and that, "plans and principles having been worked out, decision was reached, at a recent conference in New York City, to select the Philadelphia district because of the fact that it is one of the most representative residential and consuming areas in the United States for the initial installation

of the plan." To quote Mr. Miller:

"Under our program we will designate in Philadelphia two warehouses which will be utilized by practically all of our member-companies. The locations will be such as to afford the most convenient access from all sections. From these warehouses the needs of Philadelphia itself will be supplied, and also those of the entire consuming region in southeastern Pennsylvania, southern New Jersey, Delaware and the eastern shore of Maryland, for which Philadelphia is the natural distributing center.

"The group or centralized warehousing system is intended to permit the various participating manufacturers to ship in full carloads or pooled cars to the warehouses, thus obtaining the most favorable freight rates. From the warehouses, deliveries in smaller lots will be made by truck to wholesale buyers in the territory served, conforming to the usual customs of the trade. The advantages of group warehousing, such as we are going to inaugurate in Philadelphia, we believe will prove to be very great.

"For instance, under the present system, each company selects the location of its warehouse facilities without regard to the others. In a large city like Philadelphia, a wholesale buyer making up an assorted order might have to send his truck to as many as fifteen different warehouses to obtain everything required. Under the group plan, he could probably obtain all his requirements at one warehouse, or, in any case, at not more than two.

"This will not only reduce very materially the cost of trucking in the distribution of package food and allied products, but we expect will also have a perceptible effect in lessening the congestion of street vehicle traffic. Food products are consumed in enormous quantities in closely populated districts. They are also among the most bulky products transported by truck in large cities. Anything which will reduce the amount of trucking will, therefore, directly help to solve the problems of street congestion.

"Group warehousing will also permit

the standardization of blanks and forms used in connection with the various transactions, which is a matter of considerable importance and offers scope for material economies.

"It will allow the warehouse management to cooperate much more closely with the manufacturers in arranging for the most effective use of space. For example, it will facilitate distinguishing between slow moving and fast moving merchandise and arranging for locations in accordance with the frequency of calls. It will also be possible to obviate conditions, which not infrequently exist today, in which the merchandise of a single manufacturer may be scattered through three or four different floors of the same warehouse, due to lack of systematized arrangement on a large scale, which the new plan will make possible.

"Group warehousing, though entirely new, is not experimental. Its principles have been worked out in full detail and with the greatest care, based upon years of experience. We are selecting Philadelphia as the first city in which to establish this system because it is one of the greatest in the United States, is surrounded by an extremely important consuming area of very high average purchasing power, and seems to be an ideal point at which to launch this plan of improved distribution."

The members of the A. G. M. A. warehousing committee are:

Brownlee, James F., of the General Foods Corporation, New York City, chairman.

Barnes, W. W., of the Beech-Nut Packing Co., Canajoharie, N. Y.

Freer, Hugh, of Standard Brands, Inc., New York City.

Hadley, E. T., of the Borden Company, New York City.

Himschoot, Frank A., of the Corn Products Refining Co., New York City.

Lahey, C. A., of the Quaker Oats Co., Chicago.

Mahan, Dwight H., of the Kellogg Company, Battle Creek, Mich.

O'Connor, D. P., of Penick & Ford, Ltd., New York City.

White, Jr., Charles H., of the American Sugar Refining Co., New York City.

# The Bedels of Paris Have American Ideas

By Elizabeth Forman

## How a French Warehouse Business

Originating in  
a Cabinet Maker's  
Shop, Has Developed  
Since 1866

Below, a Bedel warehouse in Morocco



Above, a storage portal in Morocco

To right, a truck transporting household goods in Casablanca



THE servant girl who, never having seen a telephone before, asked her employer if one could "talk Swede into it" was only a little more vague in her understanding than are many of us regarding the actual business methods of countries other than our own.

Typewriters clicking in a foreign tongue, adding machines computing figures familiar until they are pronounced, and rows of bookkeepers footing strange ledgers give a visitor a curious sense of being at home and yet abroad.

Take, for instance, one of the ten warehouses of Bedel et Cie., in Paris—listed in the annual Warehouse Directory as Le Garde-Meuble Public Bedel et Cie. An American caller, under the impression that European business methods are antiquated and unprogressive, finds much to marvel at. For Bedel et Cie. are a firm which has built up through the years in a manner opposed to the best beliefs and traditions of the newer world.

Louis Bedel, founder of the company and grandfather

CONTRARY to the modern method of doing business on other people's money, Mr. Bedel used only his own to launch his new enterprise. The business developed slowly and he never went in debt, building a new plant only after the most recently-constructed one was fully paid for—a procedure still practiced by the younger generation of Bedels.

The first wagon acquired by the earliest of the Bedels was christened "La Comedy." It had belonged to a wandering troupe of Bohemian minstrels, who had used it to tour the French Provinces. The company now has a fleet of something like 500 vans, 300 of which are of

a special size for the steamships plying the Mediterranean with Marseilles as the port of departure.

Louis Bedel, founder of the business, had three sons, of whom only one, M. Leon Bedel, still lives and is actively engaged in the firm.

Besides three small houses which they "do not count" and one eighty miles away, the Bedels have seven large storage buildings in different sections of Paris. Each plant is managed by a descendant of the founder. M. Leon Bedel has one son, Jacques, in charge of one of the branches, while the others are under the direction of Paul, Adrien, Raymond and Marcel Bedel, all grand-

sons of the present generation of Bedels, made furniture. The cabinet maker in those days hung the drapes, framed the pictures, and fulfilled most of the other offices of an interior decorator, and frequently Mr. Bedel was asked to make pieces of furniture that were to be kept until children grew up, until wills were submitted to probate or while clients went on long voyages abroad. French people love their lares and penates and do not readily part with them to buy new.

So in 1866 the furniture shop became so crowded that Mr. Bedel decided to open a place to store his customers' heirlooms and surplus. His first step was to write a circular letter soliciting rugs, art treasures and silver to put "in guard," as they say in Europe. He then began to buy the ground on which to build warehouses for the purpose, and much of the land which he purchased then for ten francs a meter is now worth 1,000 francs for the same stretch of property.

sons of the former furniture maker. A younger Louis Bedel, cousin to members of the firm, has recently been added to the personnel, to take the place of Robert Bedel who was killed in the World War.

M. Leon Bedel is, of course, the acknowledged head of the company, but he does not wish to be known as "President," although so formally listed in the Warehouse Directory.

"You see, we are a family," he will explain in excellent English. "We do not need a president."

The Bedels, by the way, all speak splendid English.

After the close of the World War, Bedel et Cie. built an auxiliary business



Two generations of the Bedels, operators of the Paris warehouse business which bears their name—a picture taken specially for *DISTRIBUTION AND WAREHOUSING*. Seated, second from right, is M. Leon Bedel, who prefers to be known as the company's "patriarch" rather than its president. Standing, at extreme left, is Jacques Bedel, who, son of M. Leon and grandson of Louis, the founder, visited American cities in search of ideas. The others, Paul, Adrien, Raymond, Marcel and Louis, are grandsons of the founder

in Algiers, and also one in Morocco. These branches are now ten years old and are growing very fast. Army officers with their families, society folk flitting for the season, and an ever-increasing number of travelers and tourists, all have added to the prosperity of a company having everything to do with storing, shipping and packing.

So the business that started in a cabinet maker's shop has grown. In a single one of its units today may be found a widely diversified array of valuables: huge packing cases from Tunis or New York, a carload of modern furniture belonging to an American diplomat from Washington, costumes and scenery for the Russian ballet, the chimney from an old chateau torn down brick by brick and being shipped piecemeal to the Long Island estate of an American millionaire.

There are also connected with the business a garage, a carpenter shop, a mill to grind feed, a blacksmith shop, a harness shop, and stables where each horse has its own automatic drinking fountain in its stall.

#### To America to Learn

There was a time when the tradition that European business methods were antiquated reached the ears of the Bedels.

"You are wasting valuable space because your aisles are too wide," American visitors told them.

So Jacques Bedel journeyed to the

United States to see for himself how things were done on this side of the Atlantic. To New York, Pittsburgh, Washington, Chicago, Buffalo and Detroit, where he talked with Henry Ford, the young man went, asking eager questions and keeping his eyes open. He even—after the manner of the sons of some of America's wealthiest men—took a "job" with the Manhattan Storage & Warehouse Co., New York.

As a result, many innovations have been introduced into the Parisian warehouses. French packing always has been known far and wide for its excellence, but it was America's ideas of efficiency which inspired the standardization of packing cases at the Bedel plant.

Another experiment was the building of a huge trunk room after the American fashion. This holds 500 trunks and it was filled almost immediately. At the present time an addition is being built.

Three new vans have been added to the Bedell fleet within the past three months, and ten more soon will be acquired. These vehicles, covering the city of Paris and the French Provinces far down the coast, are kept track of by means of a novel device which somewhat resembles the maps of war time, bedecked with colored pins which were moved back and forward with the progress or retreat of the conflicting armies.

There is also, in the main office, a complete file of back copies of *Distribution and Warehousing*.

In two wars the offices and warehouses of Bedel et Cie. have been under shell

fire. During the siege of Paris by the Germans, in 1870, chandeliers and furniture were broken, and the damage was quite extensive, but in the World War only one building was struck during the time of the German Big Bertha bombardment.

And, to offset the latter, the business of the firm grew so fast throughout the period preceding the Armistice that additional buildings had to be rented to take care of the increase.

#### New Indiana Firm

Bailey's Storage & Transfer, Inc., has been incorporated to do a storage, transfer, moving, draying and hauling business in South Bend, Ind. Capitalization is 100 shares of \$10 par value stock. The incorporators are Stirling W. Bailey, L. G. Bailey, Cora L. Peer and Darrell F. Osgood.

#### Correction

It was stated in error on page 70 of the March issue of *Distribution and Warehousing* that Thomas B. Hall had resigned his connection with an investment banking company to take the presidency of the Empire Freight Company of New York, Inc., in succession to his father, the late Charles A. Hall.

Thomas B. Hall is still a member of C. H. Huston & Co., Inc., New York investment bankers.



No. 90

## John L. Wilkinson

By Elizabeth Forman

## Let's Take the Family A



In oval—John L. Wilkinson, general manager of the Carolina Transfer & Storage Co., Inc., Charlotte, N. C., and president of the Southern Warehousemen's Association

The brick building is the Carolina firm's combination merchandise and household goods warehouse

Lower right—Back door of the first warehouse which Mr. Wilkinson rented, at \$10 a month



Below—  
The van  
of today

Above—  
One of the  
firm's first  
trucks

Mr. Wilkinson  
was born in this  
cabin

Cup pre-  
sented, 1929,  
for being Char-  
lotte's "most  
valuable citizen"

SIX o'clock of a gray, chilly morning. A special train bearing members of the National Furniture Warehousemen's Association to their annual convention, at Biloxi this past January, was rolling into Charlotte, N. C. Throaty newsboys were shouting the morning paper, waking even those belated passengers who had little more than gone to bed.

One bought a paper as a matter of course. But it was a surprise to see, on the front page, the picture of a fel-

low warehouseman. John L. Wilkinson had just been awarded a loving cup given by the city as a tribute to its most useful citizen. It was the third year he had been given the coveted token, so it has now become his permanent possession.

Vice-president and general manager of the Carolina Transfer & Storage Co., Charlotte, Mr. Wilkinson was last November reelected president of the Southern Warehousemen's Association. But he

rented his first warehouse in the southern city at \$10 a month.

It was a tiny, tin-covered building, and he made his start storing furniture at \$1.50 a load—and often wondering where he was going to get enough goods to fill the place. He frequently wondered also where he was going to get the ten to pay the rent. That was in 1907.

This storage executive was born in a cabin on a farm. At four his family

(Continued on page 50)

Success Stories

# Family Album Out of Storage!

No. 91

Samuel G. Spear

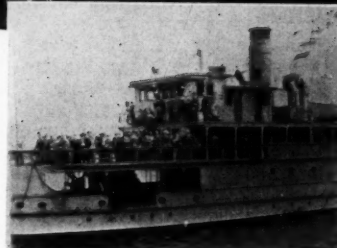
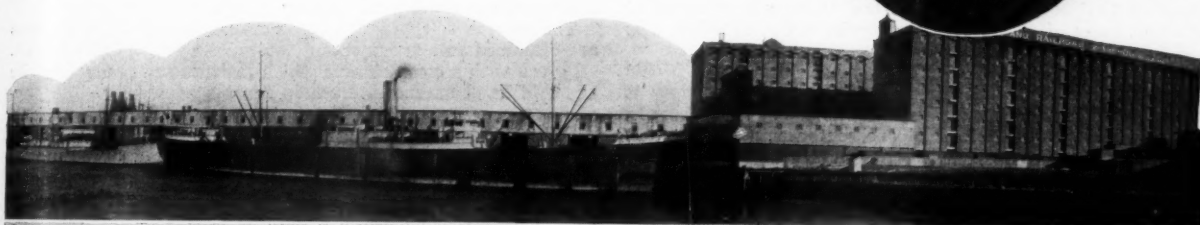
By Elizabeth Forman

*In oval—Samuel G. Spear, treasurer of Wiggin Terminals, Inc., Boston, and president of the Massachusetts Warehousemen's Association*

*Below—The Wiggins plant and two views showing the steamship docking facilities and the broad area of terminal space*

*Lower left—When Mr. Spear discussed "overhead" at Minneapolis convention of old Central Warehousemen's Club some years ago*

*Lower right—Figures on the bridge deck include Mr. Spear, saying: "On the left is the new Wiggin Terminal"*



the Massachusetts Warehousemen's Association. Mr. Spear will tell him, enthusiastically, that in no other business does one gain such a wide and fascinating knowledge of commercial geography, of trade routes, of the language of other industries. He will tell him that in no other industry does one find such friendships.

And Mr. Spear is qualified to speak, for he has been engaged in warehousing a little longer than thirty-five years.

He was born in Boston. The death of his father made it necessary for him to go to work while he was still in high school, so he secured employment with the Pope Manufacturing Co., makers of the then-fashionable Columbia bicycles.

It was a good job while it lasted but the plant was removed to Hartford, Conn., at the end of a year. Young Spear was a beginner and his money

was needed at home, so he was obliged to look for something else to do.

One of his employers in the bicycle firm had a brother in the warehouse business—the National Dock & Storage Co.—and the lad was sent there

(Concluded on page 50)

SOME day, it has been predicted, someone will write a book on "Romance of Warehousing." The author will do well, in his quest for material and inspiration, to go to Samuel G. Spear, treasurer of Wiggin Terminals, Inc., Boston, who recently was reelected president of

# THE BUSINESS MAN'S BOOK SHELF

## Conditional Sales

"Conditional Sales: Law and Legal Practices, for Executive and Lawyer," by Roger S. Hoar. 521 pp. \$10. The Ronald Press Co., New York.

men speak of as "instalment sales." This volume treats, therefore, of the law and practice of selling by instalments.

Mr. Hoar is already known as the author of a book on "Patents," which was, like the present volume, written for the business man quite as much as for the legal profession. He was at one time assistant attorney-general of Massachusetts, and more recently has been commercial attorney for the Bucyrus-Erie Co., makers of steam shovels and similar heavy equipment, much of which is sold on "time." In his capacity of legal adviser to that corporation he has had to do with millions of dollars of sales of this sort—an experience out of which has come this volume.

This work is presented "as the only book dealing with this subject in a detailed and comprehensive way." Certainly it makes interesting reading for anyone who sells on instalments, especially if he happens to read one sentence in the preface, wherein Mr. Hoar says:

"Yet the author ventures to state that not five out of every ten instalment contracts, as usually drawn up, would hold water if subjected to a vigorous attack in Court."

It becomes the purpose of his volume to guide sellers of this sort to the protection of their interests. Although carrying the usual footnote citations to legal authorities, the pages themselves are readable. They are highly instructive to anyone selling in this manner, and teem with suggestiveness also for those who buy equipment under deferred payments. The book aims, however, to help the seller, not the purchaser. Its "pitfalls," in the final chapter, are for guidance only of the one party to the contract—showing him how to make sure of collecting his money.

As an illustration of the interest of this volume may be cited the author's explanation of "the doctrine of accessions." Most of us understand, with real estate, that affixing an improvement to a leased property makes the improvement the property of the owner rather than the tenant. It would appear that the instalment contract follows the law of real estate, adapted only to fit movable property. Under "the doctrine of accession," therefore, additional parts or repair parts added to anything bought on instalments become, under the law, part of the original equipment. Thus a spare tire, bought and paid for by the owner of a car, becomes a part of the car against which a conditional sales agreement stands. One instance is mentioned where the seller of equipment made good his claim for \$12,000 worth of repair parts added to a large machine, many of them the replacement of parts broken in use, of course. If the replacement parts, too, have been bought on "time," as often occurs, the new parts cannot be removed from the equipment, even to enforce payment therefor, without consent of the seller of the original equipment.

This doctrine of accessions is covered by an innocent sentence in the instalment contract which reads:

"Any spare, extra or replacement parts now or hereafter purchased by you for the machine shall be deemed to become and remain an inseparable part of the machine."

THE term "conditional sales" as used in the law means what ordinary

The book is recommended for anyone who sells by the method of instalments. It will repay perusal by anyone at all interested in buying on deferred terms—and who of us is not?

## The 1930 Traffic Red Book

"The Freight Traffic Red Book, 1930 Edition." The Traffic Publishing Co., 150 Lafayette Street, New York. 920 pp. with large map in pocket. \$10.

KNOWN, colloquially, as "The Traffic Red Book," this volume is familiar

to all traffic managers and warehousemen. Unfortunately for their own best good, all of them do not keep on file the latest edition; some have no copy at all.

The present edition is the tenth of the series. Its 920 pages are crammed full of important, up-to-date traffic information, all given with a completeness which satisfies the reader that he has laid hand on the latest help for his problems. For subscribers, moreover, the list price carries a "service" without additional charge, in the form of supplements issued throughout the year to take care of changes such as may occur for any portion of the book. This service is like the supplements to a tariff; it alone ought to be of practical value to anyone dealing with freight traffic.

The 1930 edition offers new sections covering freight container car service; constructive and off-track stations, and load line for vessels.

The section on warehousing and distribution has been revised to include a summary of the McCormick case and the decision of the Interstate Commerce Commission in the matter of railroad warehouses versus private storages. This section continues to be, as it has been in several editions, one of the best statements in print of the services and economies of the public warehouse.

Such sections as those headed Shipping Orders and Bills-of-Lading, Dunnage and Bracing, Peddler Cars, Consolidated Freight Service and Trucking, never lose their interest to a traffic manager; and, with the revisions and additions of each year, they quickly become a digest of current practice. Chapters such as these ought to be put into the hands of every employee of a traffic department, a shipping room and a warehouse, as an aid to their intelligent performance of the day's task.

It is a great mistake to omit buying the annual revision of such a book. The list price may look like an avoidable expense, but, before the year is over, the ten dollars is likely to be wasted several times over just for the lack of information thoroughly up-to-date. A year-old trade directory, or a superseded telephone book, may be all right as a curiosity but it has no place in American business. Enough mail will go astray in a year to cover the cost of the latest edition; worse yet, mail will go out addressed to officers no longer "on the old job" and be, for that sole reason, deposited in the basket. The proper use for an old edition of an annual directory or "Red Book" is the use which farmers make of discarded mail-order catalogs!

In particular, the annual edition of "The Traffic Red Book" should be taken by all who deal with freight movement, and the 1930 edition is particularly helpful and convenient.



## Industrial Traffic Management

"Industrial Traffic Management," by Leslie A. Bryan. 392 pp. A. W. Shaw Co., Chicago.

THIS volume belongs in the field with others which have appeared in recent years, such as Cobey's "Industrial Traffic Field," Denfield's "Traffic Management," Huebner and Johnson's "Railroad Freight Service" and Wilson's "Traffic Management." The Bryan addition to this library for traffic executives is worthy of a place therein.

Little claim is made that the new book is based on new, or original, material, for, as a matter of fact, not much new develops from year to year in this field. Yet Bryan's "Industrial Traffic Management" strikes the reader as being new, and this impression flows from the fact that he presents his material in an interesting manner. The cause for this result may lie—although this guess is possibly an erroneous one—in the help "contributed directly and indirectly in ideas and by suggestion" of seven traffic managers who are named in the preface, most of them connected with well known industries of the Syracuse-Rochester sector, where the author also lives. Be that as it may, the fact remains that the volume puts across the story of industrial traffic management in an admirable way. A wealth of detail furnishes the reader with helpful information.

For a small traffic department this book ought to be a good chart and compass; for a larger organization it is a guide for measuring personnel and business methods. Like many business books, it ought to be stimulating and suggestive to the experienced traffic manager, but its greatest usefulness would be in the hands of an assistant or department head who desires to understand the why and wherefore of "traffic puzzlers." For such a man it should prove to be a real desk book.

The author holds himself in commendable check by not devoting too much attention, and space in the pages, to the history of each phase of traffic management. As a rule, a sentence or two for each chapter satisfies his desire to be "scholarly," and, for each subject, he plunges into the meat. In writing, he has, as another matter, followed the well-known Shaw formula of charts and graphs to explain duties, break-down of work, routing of the day's tasks through the office, etc. He also has a happy faculty of reducing a lengthy lot of details to a half page or so of numbered paragraphs, pithily worded, so that a

traffic manager can very quickly check his own procedure by casting his eye down the page.

The entire field of freight traffic is covered. Always, however, the author seems to be thinking of the traffic manager, in a bustling industrial plant, who must know where to answer questions promptly and exactly. The book, therefore, as one reads it, carries the impression of being written close to the rate clerk's desk, although the author is a teacher of transportation in Syracuse University.

## Cold Storage Warehousing

"The Cold-Storage Industry in the United States," by Edward A. Duddy. 110 pp. with graphs and tables. \$2. The University of Chicago Press, Chicago.

THIS book certainly should be in the business library of every public storage executive. Mr. Duddy, a professor at the School of Commerce and Administration of the University of Chicago, several years ago made a study of the warehouse industry, his purpose being to get some knowledge of the industry's economics in the scheme of distribution. Following those studies he published articles on the subject in the October, November and December, 1928, issues of *Distribution and Warehousing*, and in other magazines, and excerpts from them appear in the present volume.

In surveying, as Mr. Duddy does, the growth and distribution of cold storage warehouse space in the United States, his particular aim has been to note the distribution of total space, and the space by types of storage business for the various States, geographical regions, important markets, and the regions outside large cities; to note the relation of space distribution to distribution of population; to note the relation of space distribution to the surplus production of principal storage products; and to note also the gain or loss in storage space over the period 1922-27 and to relate this to the gain or loss in cold storage holdings.

Part I, with nine chapters, is headed "Cold-Storage Space in the United States." Part II, with four chapters, is titled "Cold-Storage Holdings in the United States, 1922-27." The text is liberally interspersed with tables, graphs and maps. The appendix comprises 33 tables.

## Chicago Municipal Judge Rules for Storage Company in an International "Directory" Suit

IN a municipal Court in Chicago the presiding judge on March 6 ruled in favor of the A. R. Thompson Co., Inc., a storage warehouse firm, in a suit which had been brought against the company by the Publication Division International Transportation Association, Inc., Washington, D. C., and Baltimore, to compel the Thompson firm to make payment for an alleged contract for advertising space in the International's "Directory of Railroads and Steamships, also Warehouse Service," published several years ago.

The International made a motion for a new trial. This was denied, and the International then took an appeal to the Appellate Court.

A. R. Thompson, president of the company, announced that it was his intention "to continue the fight clear to the Supreme Court if necessary. His defence before the Chicago tribunal was "no meeting of the minds" because there was no intent on the part of his company to sign an advertising contract.

The outcome of this case is of interest to more than 200 storage executives throughout the United States and Canada.

### Background

It will be recalled that the International's Directory contained listings somewhat similar to those which appear in the annual Warehouse Directory of *Distribution and Warehousing*. In advance of the appearance of the International's book, the Publication Division of the International sent to warehouse companies the latter's listings as they had appeared, copyrighted, in *Distribution and Warehousing's* 1926 Directory. Each listing as sent out by the International's Publication Division was on a sheet of paper in the upper right-hand corner of which appeared a "box" containing small-type text alleged to be a contract to pay \$50 a year for two years in payment for a listing in the International's directory.

The Thompson company in Chicago is

one of the warehouse firms which filled in the International's document and returned it. Later receiving a bill for \$100, Mr. Thompson refused to make payment, and eventually the International brought its action.

The Ford Bros. Van & Storage Co., Omaha, won its case in a similar action which was tried before the Nebraska Supreme Court in 1928. Earlier, in a County Court in the same State, the judge gave a directed verdict in favor of the Ford company, whereafter the International carried the case to the State Supreme Court and was defeated.

In March of 1928 a judge in the Regina District Court, Regina, Canada, dismissed a similar claim by the International against the Capital Storage Co., Ltd., Regina.

The Clarence J. Bailey Transfer & Storage Co., Huntington, W. Va., and the Columbian Storage & Transfer Co., Grand Rapids, Mich., were in the same year successful in defending similar actions brought by the International.

H. A. Haring's

# New Business for Warehouses

## No. 53 "Water Softeners"

A Line of Goods With National Distribution but  
Without National Advertising

**T**HE line of products commonly known as "water softeners" is very well known to those who know them at all. By a curious twist, they are wholly unknown to those who have not met them. These products seem to be either one extreme or the other—well known or known not at all.

This condition is, perhaps, natural, owing to the peculiar marketing dictated by the nature of the goods. Such a city as New York, for instance, enjoys water that is known as "soft." For the ten million of our people living at the mouth of the Hudson their water does not require treatment for the bath, for dish washing, for the baby's tub, for the laundry, or for any other purpose. As it flows from the tap, it is used. People, accordingly, in that city and its environs do not know the phrase "water softener." To them it is meaningless. They little guess that such a product moves in our commerce, much less through the warehouses in carloads.

This fact is emphasized by remembering that few, if any, of the manufacturers of this product maintain offices in the New York territory for the sale of their goods to

domestic trade. (Some of them do for export business.)

The cities of the Great Lakes have water moderately "soft," but there are, within New York and within the eastern states, many localities with "hard" water. The difference arises from the differing sources of water—artesian water, in the East, being usually very hard, and other waters depending on the nature of the rock from which they flow. As one travels westward into the regions of alkali and high evaporation, all waters tend to increase in "hardness" because the saline materials in solution and the minerals make up a larger percentage of the water as delivered through the faucet.

Conditions show wide variations within short distances. One city in Ohio enjoys about the finest water one may imagine, while another city less than twenty miles away has water which is wonderful to the taste and a temptation to drink deeply and often but it is terribly "hard"—so hard, indeed, that local grocers declare that they sell as many packages of "water softener" as they do of soap!

Reasons such as these account for the exceedingly spotty distribution of this line of products.

### Distribution and Advertising

**M**ANUFACTURERS ship their goods all over the country. They do not, however, find a sale for "softeners" in every market. Huge sectors of a State may have "soft" water, and, for that reason, not require any treatment of their water. They are not markets and can not be developed into outlets for "softeners."

Nor does "hard water" in one city necessarily mean the same thing as it does for another. Just as climatic zones make one part of this country quite unlike another, so the rocks and water-courses of Massachusetts yield to its citizens one sort of water and salty deserts of Utah give yet another sort to its people. The chemicals entering the water cover a long range elements. Their proportions add even more to the possible varieties.

The net result is that "hard water" means many things. We should gain nothing by listing the technical classification used by chemists, but we have tried thus briefly to outline the peculiarities of distribution with "water softeners."

It is apparent that national advertising is difficult. Any single "softener" may be perfect for one community, its maker may have a huge portfolio of testimonials as to its wonderful effects, and yet that very product may be utter-

ly useless for another community within the same county. Each "softener" must be so compounded, chemically speaking, as to neutralize the harsh elements in a given type of water. Too much or too little of this or that chemical ingredients defeats the purpose of "softening."

Therefore, in actual practice, the manufacturers of these products search out those cities into whose water the particular "softener" seems to fit best. Then they work to develop the local market.

National advertising, in the usual meaning of using the same copy for every section, is nearly out of the question. "Copy" must suit the circumstances of a limited area, and, to this end, the local newspaper is the natural medium, rather than the magazine of national circulation.

Distribution is spotty in another respect.

"Water softeners" are not either "city" products nor "small town" lines. A large city may be a poor market or a fine one; a small place of 2000 people may be the same. Many a village, so tiny as show no red or blue pin on the sales manager's map for ordinary products, will consume tons a year of "water softeners" because its water is "bad." I myself have recently seen three carloads of one brand of "water softener" in store with a public warehouse in a

town of California boasting fewer than 2000 people; and I question whether any such stock is to be found in the whole city of New York. I have been in a warehouse in an Ohio city of 20,000 or 25,000, also within a few months, and the manager tells me he carries stock for eight makers of "water softener" all of whom ship to him in carloads.

Few products in warehouse distribution show such characteristics. Therefore, when considering "water softeners," one must remember that the market is irregular and spotty.

### Hard to Locate the Market

**S**ALES managers of the manufacturers face a peculiar task. It is not possible for them to plot the market according to population, or with reference to Negroes and native born whites. They find no use for income tax statistics, nor automobile registrations, nor the ratio of farm to city population. Telephones in operation, number of consumers of electric current, volume of deposits in savings banks, the figures of building permits—not one of these avails anything in setting sales quotas for this commodity.

The only thing to be considered is the water. If it is "soft" there is no market; if it is "hard" there may be a market, but not for a certainty. Every "softener" does not succeed in all mar-

kets. The sales manager must have samples of the water of the community. These must be analyzed by chemists. Careful study must then be made to determine whether his particular product, or one of a family of such products, will "soften" that water. If not, there is no market.

But if the product does appear to fit the local need it becomes possible that a market may there be cultivated.

Now if one stops to count the cities, big and little, of this country, and if he bears in mind that a tiny place may be, for this product, a fine market, he can understand, to some extent, why "water softeners" may have nation-wide distribution without being known in any one market.

### Warehouse "Service"

NO product to be found in warehouses conceals more business romance than these "water softeners."

One warehouseman related to me the story of how he tied down a good acid & W 4997t March 6 BARRY 9 Thurs count. His city has "hard" water—not of the worst, but yet bad enough that "about half the women use softening preparations." In other words, his city is a moderate market.

This warehouseman, by telephoning to grocers, department stores and toilet goods dealers, made up a list of the "softeners" already on the local market. Then, using the trade directories, he compiled a list of manufacturers not yet represented. From these he selected three as his "field of operations." To each of them he wrote, explaining that his city offered a fair market for the product, naming those he had found on sale, and suggesting the possibility of entering the market.

One manufacturer promptly replied to the effect that from the list of products already on the market he could see that his particular preparation would not fit the need.

"Your letter," said this manufacturer, "is most unusual, because by listing the goods now on sale in your city you tell us more about your local water than a chemical analysis would give. You prob-

ably did not know it, but nevertheless your letter is as good as a market survey. We surely thank you and only regret that we cannot sell in your market."

The warehouseman, in showing me this letter, remarked:

"That's a letter I'll keep. It led to nothing as a business getter. But I'd like the account of a manufacturer like that one."

The remaining two manufacturers proved to be possible sellers in the market. To each of them, in a follow-up letter, the warehouseman proposed that samples of their "softener" be sent to him.

One manufacturer sent two dozen packages. The warehouseman handed the samples to friends, and, in due time, received reports as to the value of the product. Enough of these reports were flattering to encourage the warehouseman to believe he had hit on the right product. He then proposed to the manufacturer, more than 2000 miles away, to "try out the market." The warehouseman was delighted to be asked for a recommendation of some man to be appointed local agent who should try to introduce the line to jobbers, work up retail interest in the product, supervise local publicity and so on, in the usual manner.

"I never worked so hard in hiring a man for myself," reports this warehouseman, "as I did to find just the right fellow for that job. The manufacturer said he would take my recommendation for a 'try out' and it was up to me to do the trick."

Apparently the warehouseman was successful. The salesman was of the right sort, and, on a commission basis, stepped into \$5,300 the very first year. The warehouse, of course, got the account. That was in 1926; today the account is a good one for the warehouse, and the local salesman has greatly increased his earnings of that first year. One need not say that the entire transaction was good for the manufacturer.

There remains one other manufacturer to account for.

For some weeks all the letters were

vague. Mostly "There were none at all," in the warehouseman's words. "Then one afternoon a man called on me and said he was district sales manager for that company. He told me he had spent three days in our town and was ready to go at it. He had satisfied himself that he could do business here. He was sending in a crew to 'sample' the place, and had connected up with a wholesaler to handle the line. He came in to thank me.

"I did not get the account at once. The wholesaler took in the goods in his house and all I got for the warehouse was gratitude.

"That was in 1926, too. But that's the account I was telling you about—the one that keeps two carloads as a minimum stock with us. They did not forget me when their business developed here, and so we have their account now."

### Many Types at Retail

"Water softeners" reach the consumer through a variety of retail outlets. Probably the grocery and chain store are the largest avenue to the market. They do not, however, stand alone.

Plumbers sell the goods in some markets. Often the local water supply company will display the goods in their lobby, and, of course, sell to those who want to buy. Drug stores usually handle the goods; department stores regularly do so, especially in their basement or bargain counters. The "five-and-tens" carry appropriate sizes of popular brands, and, in market after market, house-to-house canvassers find this a profitable line in sizes which sell for 35-50 cents.

Thus the goods come to market in various ways. This fact means that no single wholesaler can give complete distribution. A plumbers' supply jobber, a grocery wholesaler and a drug wholesaler are the minimum for distribution through a good market. In order to supply them with the goods, warehouses come into play in the usual manner.

"Water softeners" are, in fact, one of the products naturally handled through a warehouse in such markets as the product finds any sale at all.

## Canada's Cold Storage Warehouse Subsidies Exceeded \$450,000 Up to January 1

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

MORE than \$450,000 in subsidies had been paid by the Dominion government in Canada to cold storage warehouses up to Jan. 1, 1929. According to a report from A. H. Thiemann, the United States Assistant Trade Commissioner at Ottawa, the Federal Government of Canada had granted aid to the extent of \$31,652,358.57 in the building of grain elevators, subsidies for the erection of cold storage warehouses, and loans to harbor commissioners at Canadian seaports on the Atlantic and Pacific Coasts and at ports on the St. Lawrence River and the Great Lakes.

As of Jan. 1, 1929, the financial aid

to ports on the Atlantic Coast amounted to \$1,212,579.89; the St. Lawrence River, \$19,364,339.96; the Great Lakes, \$1,506,763.85, and the Pacific Coast, \$9,568,654.87.

On the Pacific Coast, subsidies to cold

### St. Augustine Blaze

Fire of undetermined origin swept the warehouse of the Pellicer & Peters Storage & Transfer Co. in St. Augustine, Fla., recently, causing a loss estimated by M. A. Pellicer, senior member of the firm, at \$100,000.

Mr. Pellicer was slightly burned about the hands and face while saving office records.

storage warehouses amounted to \$127,500, while the capital cost of Government elevators amounted to \$2,265,918.87 and advances to harbor commissions totalled \$7,175,256. On the Atlantic Coast subsidies for cold storage warehouses amounted to \$201,791.04, while the capital cost of Government elevators was \$1,010,766.85.

Cold storage warehouses on the St. Lawrence River drew subsidies amounting to \$82,002.96 and advances to harbor commissions amounted to \$19,282,357.

Along the Great Lakes the capital cost of Government elevators up to Jan. 1, 1929, was \$1,466,333.75; subsidized for cold storage warehouses, \$40,430.10.



# FROM THE LEGAL VIEWPOINT

By  
Leo T. Parker

## *The Warehouseman's Liability for Value of Missing Property*

GENERALLY speaking, a warehouseman is responsible to the owner of goods which he is unable to deliver, if he signs a receipt or bill of lading showing that the missing merchandise was delivered to the warehouse.

For instance, in *Ledner v. Caddo Transfer & Warehouse Co.*, 124 So. 712, the owner of goods sued a warehouseman for \$558, the value of the goods in a box which he contended the warehouseman lost. It was shown that the owner had shipped nineteen boxes to a warehouseman. The railway company delivered the merchandise to the warehouseman, who signed a bill of lading which specified nineteen packages. The warehouseman contended that, although he had signed the receipt listing nineteen boxes, he had actually received only eighteen packages.

The only evidence as to the contents of the missing package and the value of the different articles making up such contents was the testimony of the owner of the goods, and his wife, each of whom both swore positively that the articles were in the package, and that they were respectively worth the value put upon them therein. Their testimony was not disputed, and it must therefore be taken as establishing these allegations.

The Court held the warehouseman liable, and said:

"The warehouse and transfer company having received nineteen packages and only delivered eighteen of them must respond to plaintiff [owner] for the value of the goods contained in the missing package, in the absence of a legal excuse for not delivering the missing package, and no such excuse has been proved in this case. . . . Counsel for the warehouse and transfer company urge that there was no contractual relation between plaintiff and it, but the evidence shows that it [warehouseman] dealt with plaintiff as the owner of the goods and delivered to him eighteen of the nineteen packages and must be held liable for the value of the missing package."

## *State Highways Are Held to Include City Streets*

ALTHOUGH a State law may distinctly provide that motor truck operators shall pay a license tax for operating vehicles on State highways, the owners

of trucks operated exclusively on city streets are subject to payment of the taxes.

For example, in *Merchants' Transfer & Warehouse Co. v. Gates*, 21 S. W. (2d) 406, it was disclosed that the Merchants' company operates motor vehicles on the public streets of several cities and on the public highways of the State. Its principle business is to move household furniture and office equipment, to transport baggage to and from the railroad depots in the cities, to move debris from wrecked buildings, and earth excavated from building sites. The company also solicits long distance hauling throughout the State.

Suit was filed to collect from the company a tax of 4 per cent on its gross receipts from the business of hauling.

Inasmuch as the State law provides that the 4 per cent tax shall be paid by owners of motor trucks operated on the "State highways," the transfer company

## *Your Legal Problems*

MR. PARKER answers legal questions on warehousing, transfer and automotive affairs.

There is no charge for this service.

Write us your problems. Publication of inquiries and replies gives worth-while information to you and to your fellows in business.

contended that it was not liable for payment of the tax for hauling on city streets. However, it is important to know that the Court held the transfer company liable for payment of 4 per cent of its gross business from hauling on both the State highways and the city streets, saying:

"Streets in cities and towns may, by Legislative enactment, be made a part of the public highways of the State, the same as rural highways. The Court has repeatedly held that the public streets of a city or incorporated town may, by the Legislature, be made a part of the public highways of the State. They belong to the people of the State, and the Legislature may delegate to municipal corporations and other governmental agencies

the power to regulate and control traffic on them. . . . It is argued that the statute will be burdensome on small operators. We cannot consider this argument, for the reason that it would be an invasion by the judiciary of the province of the legislative department of the State. When acting within constitutional limitations in the passage of a statute upon a given subject, the Legislature is the sole judge of the wisdom, expedience, and necessity of its enactment; and its action is not the subject of review by the Courts. The action of the Legislature is declaratory of the public policy of the State."

## *When a Common Carrier's Service May Be Extended*

GENERALLY speaking, neither a Public Utilities Commission nor a higher Court will approve a request by the owner of motor trucks for an extension of its route or an enlargement of service, unless the necessity for it to benefit public service is apparent. This point of the law was decided in the recent case of *Knutsen Motor Trucking Co. v. Public Utilities Commission of Ohio*, 168 N. E. 841.

The facts are that the holder of a certificate, authorizing him to operate two motor trucks over a defined route, applied to the Commission for an extension of his route and for permission to add four trucks to his present equipment. The Commission decided that the motor truck owner had complied with all legal requirements, and approved the extension of the route and the enlargement of the service to the use of two additional trucks instead of four.

The owner of the motor trucks appealed to the higher Court to reverse the Commission's decision and authorize use of four additional trucks. However, as the evidence showed that business conditions on the route did not require four additional trucks, from the standpoint of public benefit, the Court refused to reverse the Commission's decision, stating the following important law:

"The Commission found, upon consideration of the evidence, that a public necessity existed for the extension of the route in question, and likewise a public necessity existed for the increase of the equipment of the applicant, but not to the extent prayed for, and, so finding, the route was authorized to be extended as prayed for, and an increase of two

trucks, instead of four as prayed for, was granted to the applicant."

### Warehouseman Not Liable for Driver's Negligence

THE law is well settled that a warehouseman is not liable for an injury caused by a negligent or careless driver, providing the injury occurs while the driver is acting outside the scope of the employment and in disobedience to the express or implied instructions of his employer. This is particularly true if the driver deviates from the shortest route to his destination for his own purposes. Also, it is important to know that a truck driver who is financially responsible may be required to pay damages under these circumstances.

For illustration, in *Greenberg v. Lotz Co.*, 146 Atl. 834, it was disclosed that a motor truck driver's employment ceased at noon on Saturday. Shortly before noon the driver started to take the truck to the garage. Instead of going there directly he deviated from the shortest route from his employer's warehouse to the garage, went to his home, changed his clothes, and then at 1 p. m. he re-entered the truck and, when driving carelessly and recklessly toward the garage, he negligently struck and seriously injured a pedestrian, who sued the employer for damages.

In view of the fact that the injury occurred when the driver was acting in disobedience to his employer's instructions, and had deviated from the shortest route from his employer's place of business to the garage, thereby acting outside the scope of the employment, the Court held the employer not liable, stating that the employee was solely liable:

"The rule is that for all acts done by a servant in obedience to the express orders or directions of the master, within the scope of his employment, and for acts in any sense warranted by the express or implied authority, the master is responsible; for acts which are not within these conditions, the servant alone is responsible. . . . When the servant is using the automobile for his own purposes, and without the master's permission or consent . . . no liability attaches to the master for the servant's negligent operation of the car during this period."

### Warehouseman Not Liable When Driver Is Relieved

CONTRARY to the opinion of the majority of persons it is well established that the driver of a motor truck may be held personally liable and required to pay damages for injuries negligently effected. This information imparted to drivers undoubtedly will prove inducive to their exercising greater care to prevent accidents.

On the other hand, it is important to know that the driver and his employer may be held jointly liable, and the employer never is liable if the driver is relieved from liability.

For instance, in *Vaniewsky v. Demarest Bros. Co.*, 148 Atl. 17, it was dis-

closed that a driver drove his truck at a high speed and collided with a building, effecting considerable damage. The owner of the building sued both the employee and employer for damages.

The lower Court held the employer liable, but relieved the employee from liability. Therefore the higher Court relieved the employer from liability, saying:

"Where a master and servant are sued jointly in an action based solely on tortious conduct of the servant, and the servant is acquitted, there can be no verdict against the master. A verdict against the master and acquitting the servant is equivalent to a finding that no cause of action exists and will not support a judgment against the master. . . . The liability of the servant is primarily due to his wrongful act; that of the master is derivative and predicated wholly upon such primary liability. Courts are for the administration of justice; it is their duty so to administer the law as to effectuate justice within the bounds of adjudicated rules. By implication the judge in the present case found that there was no negligence; none in the servant because it acquitted him of all responsibility, and by implication, therefore, none in the master because such negligence could only exist if the servant had been guilty."

### "Doing Business" in Foreign State

THE law is well established that manufacturers who transact intrastate business, and fail to comply with the laws of the State into which the merchandise is shipped, are deprived from filing suit to collect the amount due from purchasers.

For example, in the leading case of *Eisenmayer Co. v. George E. Shelton Co.*, 3 S. W. (2d) 688, it was disclosed that a manufacturer shipped merchandise to a warehouse in Little Rock, Ark., without complying with a State law requiring foreign sellers to pay license. The seller had the stock distributed from the warehouse to his customers in the immediate territory. This act was held to be "doing business" in the State, and the seller was held not entitled to sue to recover payment for the goods. This Court said:

"The undisputed facts show the transactions in this State were intrastate in character, which constituted the doing of business in this State in violation of the law, and the appellant [seller] cannot maintain this action."

Theoretically, any firm, corporation, partnership or person who ships merchandise into another State and retains title to it, is deemed "doing business" in that State.

On the other hand, the law is well settled that no State, or city, or county in a State, may legally enforce tax or other restrictive laws regulating business firms located in different States providing the transactions are strictly interstate. In fact, such laws are in direct violation to the Constitution of the United States, and therefore are invalid.

For illustration, in *Davega v. Lincoln Mfg. Co.*, 29 F. (2d) 164, it was disclosed that a salesman representing a manufacturer in Virginia obtained orders in New York and was paid a commission on the sales, regardless of collections. The orders taken by the salesman were forwarded to the company's home office in Virginia, and, if they were accepted there, the shipments were made to the customers f.o.b. The salesman rendered no invoices, and he kept no record of accounts showing the maturity dates of invoices. The United States Court held this company not "doing business" within the State of New York and therefore not subject to taxation laws and other regulations, saying:

"The test of whether a foreign corporation is amenable to process depends upon whether 'it is doing business within the State in such manner and to such extent as to warrant the inference that it is present there.' . . . While the terms were at least substantially agreed upon in New York, the transaction took the ordinary course; and while the salesman arranged the terms in New York, no written agreement was signed by the Lincoln company there, but confirmation was mailed from Virginia."

### Legal Duty of Truck Drivers

DRIVERS of motor vehicles are bound at all times and under every circumstance to exercise care to avoid injury to themselves and others. Moreover it is important to know that the fact that the driver of another vehicle disobeys a law does not relieve a warehouseman from liability for negligent acts of his driver which effects injury to the former. Moreover a negligent driver of a motor vehicle may not recover damages for an injury, although the accident is contributed by another driver who is disobeying a traffic regulation.

For instance, in *Callahan v. Bridges Co.*, 147 Atl. 423, it was disclosed that a steam shovel was being driven on the left side of a highway. A motor truck driver traveling from an opposite direction attempted to pass the shovel on its right side and collided with it. He sued the owner of the shovel for damages, contending that the latter was liable because he was operating the shovel on the wrong side of the highway. However, as it was shown that the motor truck driver observed the shovel at a considerable distance before he collided with it, the higher Court reversed the lower Court's decision in favor of the motor truck driver, and said:

"The fact that the steam shovel is shown to have been on the left of the road raises a *prima facie* presumption of negligence. . . . The plaintiff [motor truck driver], in the exercise of common prudence, reasonably could have seen the steam shovel on the wrong side of the street; it was then 760 feet, in unobstructed view, ahead of him. . . . Care and vigilance on the part of vehicular travelers should always vary according to the exigencies which require vigilance

and attention. An automobile driver is bound to use his eyes, bound to see reasonably that which is open and apparent, and take knowledge of obvious dangers. When he knows, or reasonably ought to know, the danger, it is for him to govern himself suitably. Thoughtless inattention on the highway, as elsewhere in life, spells negligence."

### Law Regulating Moving Invalid

GENERALLY speaking, any law is invalid which is discriminatory, or by which the Legislature attempts to regulate persons without money when persons with pecuniary means are not regulated.

For example, in *Lane*, 22 S. W. (2d) 306, a State enacted a law as follows:

"It shall be unlawful for any person or persons to go on the premises or plantation of any citizen of this State, in the night time, or between sunset and sunrise, and move or assist in moving any laborer or tenant or the effects or property of any laborer or tenant therefrom, without the consent of the owner or proprietor of said premises or plantation."

A warehouseman, who moved the household effects of a laborer at night time, was prosecuted and fined \$200 for violating this law. The higher Court reversed the lower Court's decision and held the law invalid, saying:

"This law seems to us, with the utmost deference to its makers, to inflict heavy burdens upon him who is too poor to own a means of transportation of himself or his effects. If he happens to own a wheelbarrow he might go where he please and take his effects where he please, at any time he pleased. If, however, fate had wrested from him such means of transportation, and he was too poor to be able to own such, he would be compelled to remain where he was till day. In other words, when the sun in heaven dropped out of sight, this poor fellow's right to call for help to move other than upon his own legs or personally-owned means of removal would also set. . . . We certainly agree that to be not discriminatory a law should forbid all persons alike, whether they live on or off such plantation, from helping move dependent laborers or tenants. . . . We are constrained to hold this law violative both of the State and Federal Constitutions, and that same is so indefinitely framed as that its comprehensions and prohibitions are impossible of enforcement."

### Selling Goods When Storage Is Unpaid

LEGAL EDITOR, *Distribution and Warehousing*: We are planning to sell a lot of goods and have sent out the first sales notice. The customer wrote to us saying that she was going to take care of the account in the near future and we wrote to her saying that unless we received the full amount due, \$183.75, we would sell the goods at public auction.

Today we received a check for \$25

from this customer, with no mention of our letter or of the sales notice. The customer stated in her letter that she was going to pay us regularly now.

Do we have a right to accept this \$25 and go ahead and advertise and sell the goods, or should we return the check to her and tell her again that we shall sell the goods unless we receive the full remittance, or just what is the proper procedure in this case?—*Tonnies Transfer & Storage Co.*

Answer: I do not think you will have a privilege of accepting the \$25 check and proceeding with the sale of the goods to recover payment for the charges due. In cases of this kind it would be advisable for you to prepare a contract reading as follows:

"I owe the Tonnies Transfer & Storage Company \$. . . . for storage of my goods. I agree to pay \$25 immediately on this account and the balance at the rate of \$. . . . on the first of each month. If I fail to make payments in accordance with this agreement, the Tonnies Transfer & Storage Company may retain and sell my goods for the storage charges."

This contract is merely to induce payment. Have your customer sign this contract, properly dated, and it may prove effective to secure the payments due you. If the customer fails to abide by this contract, then do not hesitate to advertise the sale of the goods, just the same as though the customer had not signed the contract, and proceed to sell them unless the customer pays the account in full before the sale.

LEGAL EDITOR, *Distribution and Warehousing*: We are new in the warehouse business. How long must we hold goods in storage before they can be sold for the charges due? If we notified the party in writing at his address, can we sell it if he fails to pay?—*Stella Warehouse Company.*

Answer: Generally speaking, a warehouseman who desires to sell goods for storage and other legal charges is required to mail a registered letter notifying the owner of the goods of the intended sale. If the owner fails to call or pay the account the warehouseman is required to advertise the intended sale for a period of time specified by the laws in the State where your warehouse is located. The goods must be sold in strict accordance with the laws of your State. Any variations from these laws makes you liable to the owner for the full value of the goods. You had best consult a reliable lawyer before you attempt to go through this procedure—at least for the first time.

LEGAL EDITOR, *Distribution and Warehousing*: A landlord was not receiving his rent. He took the furniture out of a residence and put it in his pri-

vate garage. He held it there some few months and then had us come and pick up the furniture and store it in the name of the tenant. We did not know that he had taken the furniture out of the residence.

We did not know the address of the owner of the furniture. We held the goods for a considerable length of time and finally sent a registered letter advising the owner that, if charges were not paid, goods would be advertised and sold for charges. They received the registered letter and a week or so later came in and advised us not to sell, as they did not put these goods in storage and we should look to the man who did for our charges, claiming that they were going to sue the landlord for what they claim was confiscation of their goods and placing them in storage without their knowledge. What are our rights?—*Joseph Bimberg Sons Storage Warehouse & Transfer.*

Answer: I do not know of a case where the owner of goods was held liable for payment of a bill contracted by another person. The landlord authorized you to store the goods and it is my opinion that he is liable for the storage charges, although you stored the goods in the name of the true owner. The landlord had no authority or official capacity to authorize you to perform services for the owner of the goods.

This legal controversy probably would prove expensive to all parties, and my advice to you is to attempt to obtain a settlement from the owner without entering the Court or selling his property. If you fail to do so, then attempt to collect the charges from the landlord.

The law is that, if you cannot collect from the customer, the landlord is liable unless you agreed with the landlord to accept the goods and to collect your charges from the owner.

In the future, before accepting goods under these circumstances, have the person who authorized you to store the goods sign an agreement to pay the storage charges if the owner refuses to do so.

### Lien on Goods and Previous Charges

LEGAL EDITOR, *Distribution and Warehousing*: One of our customers gets shipments every week. We advance the freight on this merchandise. He leaves a considerable portion of stock in our warehouse as security until the freight and other charges are paid. How can we protect ourselves against loss? Have we a lien on the goods?—*White Warehouse & Transfer Co., Inc.*

Answer: You should take a chattel mortgage on the goods and properly record it, or you can make a contract whereby he agrees to permit you to hold the goods in stock as security for his bill.

Obviously your claim is good under ordinary circumstances, but the safe plan would be to obtain a note secured by a mortgage. You have no lien on the goods in your warehouse for charges on goods which have been removed.

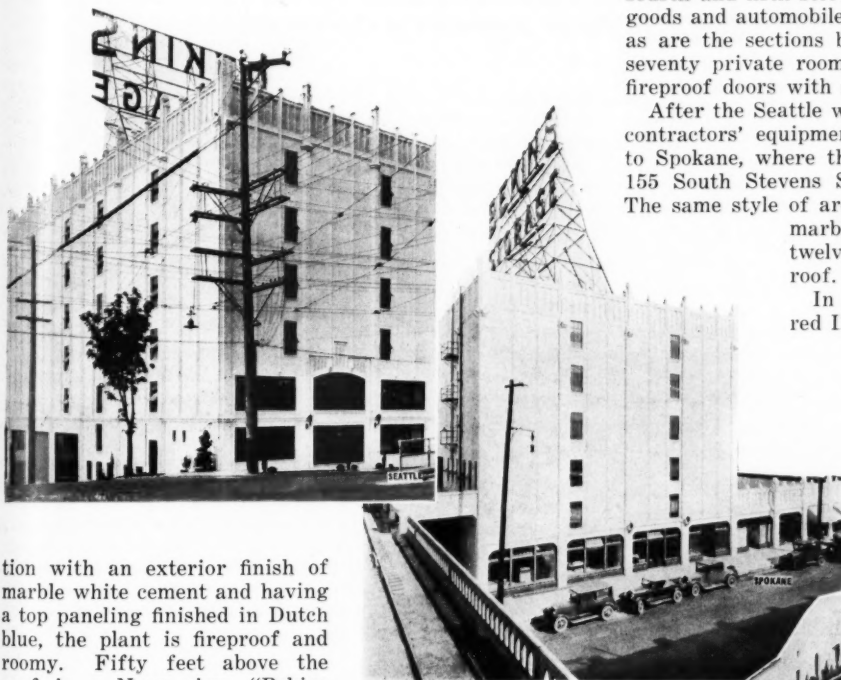
When you ship goods to fellow warehousemen—use the 1930 Warehouse Directory.



## WHAT'S WHAT IN NEW BUILDINGS

**T**HE Bekins Moving & Storage Co., operating household goods warehousing in the Pacific Northwest, have in recent months completed and placed in service furniture depositories in three of the major cities—Seattle and Spokane, in Washington, and Portland, in Oregon. The new plants are here illustrated.

The Seattle warehouse, with six stories and a mezzanine floor and containing 40,000 square feet of floor space stands at the entrance of the city's busiest suburban business community, the University district, where new and modern buildings are no novelty. Of concrete and steel construc-



tion with an exterior finish of marble white cement and having a top paneling finished in Dutch blue, the plant is fireproof and roomy. Fifty feet above the roof is a Neon sign, "Bekins Storage," with letters each twelve feet high.

The well-appointed, convenient and spacious office is done in walnut finish with desks and chairs to correspond. The front of the counter, in concave arc format, is of Batchelder tile with a vari-colored Terrazzo top four inches thick. The floor is of green composition tile with black stripes and borders, and the walls are tapestry finish.

Behind counter and desks is a massive door which opens into a vault in which valuables are stored. Conveniently situated at one side is an automatic-type passenger elevator.

Pianos in storage are placed in a special music room to the right of the office. This space is constantly kept at the correct temperature. Large plate glass windows in front of the piano room emphasize this system of storage.

Back of the piano room is a moth-proofed vault for rugs and carpets. The rugs are rolled and packed in wrapping paper and then placed on racks for storage. The trunk room, with modern steel sliding racks, is at the left of the office.

## No. 130

Bekins Moving & Storage Co.  
Seattle—Spokane—Portland

In the basement are the heating plant, packing and shipping space, stockroom, and loading and unloading department. The heating plant is "Oilomatic." The packing room is equipped with work benches and a power saw.

At the rear of the basement is a runway with railroad tracks on which freight cars are switched into the warehouse at a spot adjacent to an 8000-pound freight elevator. When not occupied by cars, the runway makes a convenient place for washing and greasing vans.

The second floor has large plate glass windows in front and can easily be converted into rentable space. The third, fourth and fifth stores are for open storage of household goods and automobiles. Aisles are marked into the floors, as are the sections by members. On the sixth floor are seventy private rooms of various sizes, with wide, steel, fireproof doors with cylinder locks.

After the Seattle warehouse had been erected, the same contractors' equipment and some of the labor moved on to Spokane, where they put up a six-story depository at 155 South Stevens Street, close to the business center. The same style of architecture was adopted, with outside marble white with blue finish, and with a twelve-foot-high Neon sign above the roof.

In the office is an L-shaped counter of red Levant marble top and Batchelder tile



front with designs distinctively of Dutch character. Interior finish, including the filing cabinets under the counter, is of American walnut. Caen stone effect on the walls, and old-gold finish on the ceilings, harmonize with furnishings and trim, and there are vari-colored Terrazzo diamond designs on the floor.

Lighting is of the indirect type throughout; pocket

(Concluded on page 58)

# MOTOR FREIGHT DEVELOPMENTS

**F**OR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor freight. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By Philip L. Sniffin

## THIS MONTH

### *Selection of Right Trucks to Assure Economy in Operation*

**P**REFERENCES as to types and makes of motor trucks vary with a considerably wide range in the warehousing business. No two concerns have exactly the same requirements for delivery equipment and for this reason each firm's transportation system is a problem in itself. Types and weights of loads, local road conditions, volume of business, scope of territory covered, seasonal differences—all these have their effect on deciding just what type or types of equipment can be used to the most profitable advantage.

As the size of the business increases and as it branches into fields which require a wider radius of deliveries, the owner will frequently find the use of a large size vehicle most profitable. Many delivery trucks are equipped with shock-absorbing devices designed to give the maximum of protection to the goods. Yet often, where roads are

uniformly level and where the body is arranged to hold the goods compactly and securely, operators have reported that results have been entirely satisfactory from the conventional type of closed van body or open body which can be provided with a tarpaulin as a protection against rain.

As already pointed out, the selection of the most suitable body type is an individual problem and cannot be discussed except in relation to a specific set of conditions within a business.

However, in considering the motor truck as a part of necessary equipment, there are a number of broad fundamentals worthy of careful consideration. Let us, for instance, draw upon general experience in discovering mistakes frequently made in the selection of such equipment.

#### **Common Mistakes**

**A**NY number of instances could be quoted here to show how operators have severely handicapped their experience with motor delivery by the improper selection of the vehicles.

The most common mistakes may be summarized as follows:

1. Selecting a vehicle of inadequate size, resulting in the expensive practice of overloading.

A small percentage of overload with a high quality vehicle is often justifiable. But too many concerns insist on learning through bitter experience that with motor trucks, as with other things, the proverbial "something for nothing" is not obtainable. Investigation shows that a large percentage of high hauling cost can be traced to heavy repair bills and breakdowns, and these in turn to the practice of overloading.

The usual tendency, it has been found, is to consider the purchase price of greatest importance when installing a motor vehicle. The result is that a light truck, say one of  $\frac{1}{2}$ -ton capacity, is installed whereas the requirements actually call for a 2-ton model. The owner invariably, on his first experience, will underestimate the truck capacity he needs. Hence the common

and unfortunate consequences of overloading.

2. Selecting a vehicle of unproven ability to meet the requirements of the individual business.

The choice of a motor truck, to be well based, must be the result of a careful analysis of past performance in the purchaser's own particular line of business.

There are radical differences among different makes of motor trucks. Where one may make surprising records in one line of business, it may fall down completely when assigned to the tasks of another. The importance of careful selection will be best appreciated when it is considered that depreciation and interest on investment, as well as many of the maintenance and running charges, are dependent on this. Probably as high as 75 per cent of the total operating expenses are influenced by the amount of care exercised in selecting the vehicle.

3. Selecting a vehicle of improper type to meet local conditions.

There are three principal types of motor trucks—commonly called the shaft-drive, the chain-drive, and the double reduction. Each has its particular advantages for certain well defined purposes.

No installation should be made with-

out a full consideration of each of these types. Factors of dependability, power, hill-climbing ability, longevity, operating economy, etc., enter into such a consideration. An additional consideration as far as vehicle type is concerned is that of the wheelbase. Trucks are obtainable with various sizes of wheelbase. Often a short wheelbase will add to loading and unloading efficiency by permitting quick and easy manipulation of the truck in narrow or congested places. On the other hand there are advantages to be gained from a long wheelbase in so far as carrying capacity and even distribution of the load are concerned.

4. Selecting a body type not well coordinated with loading and unloading conditions, or with the types of goods hauled.

Even though it may be necessary to have such a body made to order, the extra cost involved will invariably be made up for in the saving of the vehicle's time and that of the driver. The factor of body types has been found to present a substantial opportunity for economy, in the experience of a large number of concerns.

The justification for the expense involved in a special body usually lies in adapting the vehicle to carry goods with the following advantages.



Tractor-trailer combination recently put into service by the Federal Transfer Co., Baltimore, and used for general hauling of bulky articles on daily runs between Philadelphia, Baltimore and Washington. The tractor is a chain-drive Sterling with a 154-inch wheelbase and powered with a heavy-duty Sterling 6-cylinder motor. The trailer, built by the Trailmobile Co., is 36 feet long, 7 feet 9 inches wide and 7 feet high, having a loading capacity of nearly 2,000 square feet. The payload it carries is from 15 to 18 tons. Its Philadelphia-Baltimore run covers five hours.



Combining service and modern equipment with advertising value, the Caddo Transfer & Warehouse Co., Shreveport, La., has created this attractive trailer van for both long and short distance hauling. The warehouse is illustrated in natural colors while "Caddo" stands out in solid gold leaf-block letters. Lettering is trimmed in green, and van body and truck are white, while the streamer across the length has white lettering with black background. The power plant is a G. M. C. 60 tractor, with an auxiliary transmission providing 12 speeds forward. The trailer, a Freuhauf, drop, is 25 feet long, with 20 feet back of the drop; 96 inches wide outside, and 7 feet high, having 1330 cubic feet capacity. Tires under the trailer are dual 36x8.

- a. Quicker loading and unloading.
- b. Less breakage and damage enroute.
- c. Capacity for carrying greatest load with greatest convenience and safety for the class of goods most frequently handled by the individual user.
- d. Greater advertising value by virtue of distinctiveness.

For most purposes it is safe to say that the use of special bodies can be recommended. It will be found that the difference in cost is not great.

### Best Types for Delivery

It is impossible here to make general recommendations as to body types that will be of assistance to the individual reader, as each concern's requirements are different and require an individual advisement.

The best practice in this respect is to have the body builder make a study of the requirements in cooperation with the operator himself, much as an architect draws plans for a house in counsel with the prospective owner.

### Basis of Selection

HERE are twelve important questions which suggest the principal things to be kept in mind when selecting a motor truck:

1. Will the truck purchased be manufactured two or three years from today?
2. Will it still be sold in the same city?
3. If so, will it be sold by the same dealer from whom it was bought?
4. Will the operator be able to obtain intelligent and helpful cooperation in choosing a body type well adapted to his particular business?
5. Will the truck have radical motor changes or chassis changes two or three years from now, making the present truck an obsolete model?
6. Will it still be a quality product or is there a risk of its quality being later reduced to meet a price?
7. Will its price be stabilized so that the resale value will not be affected?
8. Who will want the truck if the operator should ever want to sell it?
9. What will it be worth in actual cash? Will it have suffered exorbitant depreciation?
10. What service can the operator get on the truck, and where?
11. Has the manufacturer a responsible reputation?
12. Is the dealer equipped to render

and will he give the kind of service required?

It is a common saying that a motor truck should be bought much as a jeweled watch. Depend more on the reputation and reliability of the manufacturer than on the physical appearance of the product. If familiar with engineering details, make a careful study of comparative specifications; otherwise, look to performance records of longevity, dependability and economy, but be sure that these are in a business as nearly similar to yours as possible.

It is well to remember, when buying a motor truck, that the heart of the vehicle is in the motor, and for that reason the motor should be given the greatest amount of attention. In maintaining a truck fully 80 per cent of the cost of the repairs may be traced to the motor. Consequently the motor is the first determining standard of judgment. First cost is far from being the most important cost in the end. The successful truck purchase is one which renders the most efficient service at the lowest cost per unit mile over a period of years.

### Beware of "Orphans"

THERE is always considerable risk of having an "orphan" vehicle on hand, and this is well worth looking out for. Out of 411 truck manufacturers in business during a seven-year period, it has been figured out that more than 225 failed at some time during that time. A firmly established truck manufacturer will continue to render service and supply parts when they are required and will insure for his product a relatively high resale value.

Some firms make the mistake of basing a truck's value on its first year's service. It is easy to be influenced by the recommendations of someone who has used a certain truck for a year or so, whereas many trucks make surprising records in their first year and then fall down completely after two or three years of continual service.

There is considerable opportunity to economize in truck operation by selecting the vehicles of proper size to handle the work most economically. Depending, of course, on the individual business, there is frequently worth while economy in big units.

It can readily be seen that, per unit of capacity, the first cost, maintenance

costs, operating costs—in fact, every item of expense—decreases as the size of the truck increases. Where loads are uniformly large, and where the territory and routes traveled will warrant it, a few large vehicles are much more economical than a greater number of small trucks.

On the other hand there is danger in wasting valuable carrying capacity by installing a vehicle too large for the requirements.

There are advantages in both large trucks and small ones. It is an individual problem to determine which will fit in the best. It cannot be emphasized too strongly that the size of the vehicle will play an important part in the cost of operation. Above all, as has been pointed out, the most extravagant procedure is to install a truck too small for the requirements; and constantly to overload it, with the resulting high repair costs and rapid depreciation.

It is especially worthy of mention that the motor truck equipment should be coordinated with the rest of the equipment. Conditions at the loading platforms, and the kind of manipulation necessary to reach loading points, should be studied in an endeavor to save as much of the truck's and the driver's time as possible in loading and unloading periods.

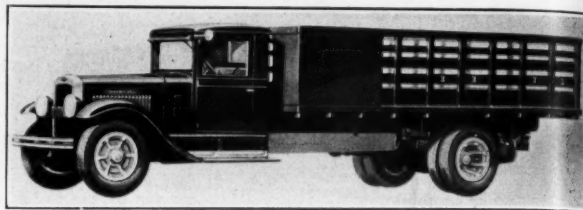
There are many advantages to be gained in standardizing as far as possible on one make and type of vehicle. Owners and mechanics become accustomed to the vehicles in this way and learn to discover repair requirements and adjustments in their early periods. Service and parts are more easily obtained—in fact parts may be kept on hand for immediate use. Many companies which have standardized their truck equipment, keep complete units, such as motors and transmissions, on hand, so that they may be substituted in a truck for a unit that is taken out to be repaired or overhauled.

It is unquestionably true that the average purchaser does not select his trucks with enough care. The writer has closely observed the tendencies of firms which purchase vehicles, and he has found that very few take full advantage of the types available for their particular purposes. In common practice the prospective purchaser will decide he ought to have a truck and will buy





Lapeer Trailer Corporation semi-trailer recently placed in service by the Henry H. Stevens Storage, Flint, Mich., for local moving. It is hauled by a Chevrolet 1½-ton truck. "We are able to carry an 85 to 90 per cent greater load with very little additional cost," Mr. Stevens writes. "This has saved us, in the original investment, about 100 per cent. In many instances we are moving two families' household goods in the one load, which means a great saving, especially when the distance sometimes runs as high as 1000 or 1200 miles."



This is the new 3-ton speed truck, Model A-5, which, described last month, is a new product of the International Harvester Co., Chicago. Designed and built to meet a wide range of hauling requirements, it comes in four wheelbases—156 inches for semi-trailer and dump service, and 170, 190 and 210 inches for general hauling of all kinds. Features include a 6-cylinder engine; a new and exclusive transmission with 5 speeds forward and 1 reverse; mechanical 4-wheelbrakes; and heavy pressed steel channel tapered frames. Cast spoke-type duals rear wheels have pneumatic tires, 34x7 front and duals rear.

one which is highly recommended to him by some friend or neighbor without giving proper attention to the work it will be called on to perform.

It cannot be emphasized too strongly that any amount of time or study which the operator applies to selecting a truck which will best meet his requirements will be repaid many times over in actual cash saving in the vehicle's use.

There is a type of truck and a body design to meet every individual purpose, and it is common experience that a company cannot afford to go blindly into the market and install a certain truck because it may appeal to some particular fancy without a careful study of its application.

### U. S. Supreme Court Sustains California Motor Vehicle Act

THE United States Supreme Court in a decision handed down on Feb. 24 upheld the California State Courts in ruling that the motor vehicle Act of that State is not a double-taxation measure, that it does not involve collection of "tolls" and that it is constitutional.

Justice Stone delivered the decision in two cases brought by the A-B-C Transfer & Storage Co., San Francisco, and others, against F. G. Snook, chief of the division of motor vehicles of California.

Although both the State and incorporated cities could collect license fees from motor vehicles hired for transporting freight and passengers under the California Act, Justice Stone held, it was not double taxation.

The plaintiffs contended that they did not use State highways but that they had to pay the State tax, which was used in part for maintenance of State and county roads, and, also, had to pay a city tax for city-road maintenance.

State taxes, graduated by weight of the motor transports under the California Act, were not tolls but were "demands of State sovereignty, not of proprietorship," Justice Stone ruled.

The exemption of vehicles under 3000 pounds from graduated taxation was not, as charged by the plaintiffs, discriminatory, in the Court's opinion, but was something for the State Legislature to decide in drawing a line between vehicles which tended to break down highways rapidly and those which did not.

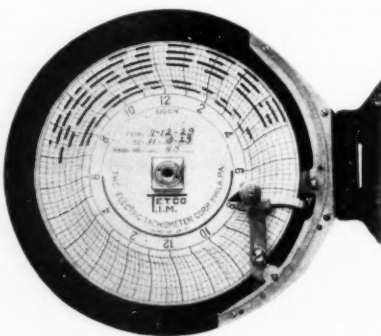
### New Seven-Day Truck Recorder

THE Electric Tachometer Corporation, Philadelphia, has placed on the market a seven-day operation recorder which, for use on trucks, buses, cars, etc., is known as the Tecto Time Recorder.

Requiring no driving mechanism, it is secured inside the cab and operates through motion produced by the vehicle on which it is mounted. The record is made on a wax-coated chart; no ink or pencil is used.

The record shows operating time by a heavy line and idle time by a light line, as indicated in the accompanying illustration.

The recorder is finished with an eight-day clock, which means winding the



clock and installing a chart once a week. This enables records of long distance runs to be made, and saves in cost of charts and on the time to install them. Although one chart covers an entire week's operation, it may be removed at any time desired. When used as a single-day, two-day or three-day recorder it is not necessary to remove the chart at any designated time, as the automatic trip mechanism makes it impossible for one day's record to interfere with the preceding day's. Thus records cannot be spoiled.

The front of the recorder includes a clock dial, thus enabling the equipment to serve two purposes.

### Recent Models

DURANT MOTOR CO., Detroit: Inaugurating an active truck sales campaign through its passenger car dealer organization, Durant announces two new Rugby models—a ½-ton delivery chassis designated as model 614, and a truck chassis known as model 615 and available in two capacities. The latter vehicle when equipped with 32 x 6-inch single tires is rated as a 1-ton and lists at \$865, and when equipped with the same size duals is rated at 1½ tons, with the same list price. The delivery model is priced at \$655. Various types of stock bodies are offered in both models, which are powered with 6-cylinder engines similar to those in Durant passenger cars. Wheelbases are 112 inches for the delivery chassis and 135 inches for the truck chassis.

General Motors Co., Pontiac, Mich.: Eleven basic chassis models completely covering the capacity range from one-half ton to fifteen tons are included in the 1930 program. By varying the wheelbases of these basic chassis a total of 33 different models is obtained, and variations in tire equipment, etc., give a total of 118 different types of truck. Six of the basic chassis models are continued with improvements, the remaining five being new. The new models roughly cover the ¾, 1, 1½, 3 and 5-ton ranges. To permit of producing so wide a variety of trucks economically, a policy of unification was adopted whereby the same chassis units are used in several of the basic chassis. The straight rating adopted by G. T. T. last year is continued in principle but has been modified to some extent as the result of operating experience. The eleven basic truck models have a definite gross weight rating, as previously. With smaller tires or where single wheels are used instead of duals, the straight rating is correspondingly reduced. While no drastic changes have been made as compared with last year, improvements have been made in various details. Front ends have been materially improved in appearance. Both the standard and the de luxe cabs closely follow passenger-car coupe bodies in their dimensions and have narrow windshield pillars, ventilating windshield passages back of the instrument board,

cadet vizors and air holes in the seat cushions. Temperature indicators are provided on medium and heavy-duty trucks. Steering posts are adjustable; windshields swing outward, and on the medium and heavy-duty models the instrument panels are indirectly lighted. The frames of the cabs are of hardwood and steel. To prevent excessive stresses due to frame distortion the cabs are mounted at three points. The chassis prices range from \$625 for the ½-ton to \$5,885 for the 5-ton.

Mack Trucks, Inc., New York City: A new 6-cylinder chassis for fast, light capacity service has been added to the Mack line. Known as model BL, it is rated at 1 to 1½ tons capacity and is offered in four standard body types designed to blend harmoniously with cowl and hood. In addition to such features as a 6-cylinder engine, 4-speed transmission, 4-wheel Lockheed hydraulic brakes and a Timken bevel drive rear axle, it is furnished with an electric gasoline gage, thermostat and radiator shutters, Electrolock switch and Air-Maze air cleaner. While 6.00/20-inch balloon tires, single front and dual rear, are standard, five optional tire combinations are available. Weight, with panel body, is 4765 pounds. The wheelbase is 148 inches.

### Indiana Operators Resort to Courts in License Battle

A LEGAL fight between licensed motor truck route operators and "free lance" motor freight operators in Indiana was carried into the Marion County Superior Court on Feb. 26 when D. Reid Dixon, president of the K. I. & M. Transit Lines, brought injunction proceedings against the Warehouse Distributing Corporation, the Central Union Trucking Terminal, Inc., and Harry Becraft, of the Becraft Transfer & Storage Co., Inc.

The distributing corporation and the terminal are operated in Indianapolis by Tom Snyder, secretary of the Motor Truck Association of Indiana, Inc. The Becraft firm conducts a merchandise and household goods storage company in Kokomo, Ind. Mr. Dixon heads motor freight lines touching cities including Indianapolis, Kokomo, Marion, Newcastle, Muncie, Anderson, Richmond, Connersville, Columbus and to the Ohio and Kentucky State lines.

Backed by operators of licensed motor truck lines in Indiana, Mr. Dixon asked \$25,000 damages from the three defendants and that they be restrained from operating in competition with regularly established lines for which the Public Service Commission has granted certificates of convenience and necessity.

It was alleged that the defendants, because of freedom from regulation or responsibility to the Commission, had been able to do business at lower costs.

Allegations were made that the defendants had never been required to



This Autocar chassis, model S.D.B., on bus type balloon tires equipped with a de luxe van body built by the Gerstenslager Co., Wooster, Ohio, was recently placed in service by the Tanner Fireproof Warehouses, Detroit, where it was displayed at the Detroit Automobile Show in January. The van's inside measurements are 15 by 7 by 7 feet, with loading space above the cab, and there is a 3-foot tail gate. The color scheme, as with the rest of the Tanner vehicles, is a two-tone blue with a maroon belt and lettered in gold leaf.

come under the State's public utility laws which require that motor trucks doing business over scheduled routes shall be regarded as common carriers subject to utility regulations.

### Economic Law Rapidly Dooming Solid Tires

ECONOMIC law is dooming the use of solid tires for trucks so rapidly that "laws abolishing their use are unnecessary," according to a survey of truck tire use made by the National Automobile Chamber of Commerce.

The trend toward pneumatic tires is so pronounced, says a Chamber bulletin issued to motor truck associations, that only 4.7 per cent of trucks made in 1929 were equipped with solids.

"While solid tires," the bulletin declares, "are now largely used in specialized fields, there is still some use of this equipment for over-the-road hauling. The demand for speed is gradually eliminating solids in this field and legislation which would ban solid tires entirely is both unnecessary because of the economic trend and unwise because of the adverse effect which sudden elimination would have on industries and businesses which have hitherto relied upon heavy truck shipments."

### Motor Equipment Sale

The Ohio Public Utilities Commission has authorized J. W. Peoples and L. E. Partridge, operating the Merchants Transfer Co. in Marion, to sell their motor freight line equipment to the Ward Transfer Co. of Columbus for \$3,300, to be paid for in stock of the Ward firm.

The Merchants company has been operating motor freight lines from Marion to Columbus, Lima, Findlay and Mansfield.

### Telephotography

When the Neptune Fireproof Warehouse, New Rochelle, N. Y., recently added to its motor fleet a truck carrying

a van body built by the Bender Body Company, Cleveland, a picture of the completed unit was sent by Western Union from Cleveland to New Rochelle. The warehouse firm made effective use of it to illustrate some local newspaper advertising.

This is perhaps the first time that the results of telephotography have been utilized in warehouse advertising.

### Indiana Lines Giving Shippers Free Cartage

Arrangements having the effect of giving freight and express shippers the benefit of pick-up and delivery service at their doors have been placed in operation at the principal stations of the Union Traction Company, Indiana, and its connecting electric railway lines.

Under certain conditions the company agrees to refund or absorb the expense of trucking freight and express between the freight houses and the shippers' places of business, according to F. D. Norviel, Indianapolis, general passenger and freight agent.

To secure this benefit the shippers are required to furnish certain minimum tonnages of freight, depending on classification, and ranging from 2500 to 10,000 pounds or more.

### Uniform Rates Are Sought for Idaho Motor Carriers

A SURVEY of the rate schedules and freight classifications of motor carriers operating in Idaho is being made by the Public Utilities Commission with a view to the establishment of a uniform classification and scale of rates.

An effort will be made to adopt a classification that will be uniform with the States of Oregon and Washington, although the rates necessarily will vary in accordance with the nature of the roads in different sections. Hearings are being held in the larger cities and towns of Idaho.

### Uniform Traffic Laws Are Recommended for All American Cities

**I**NCREASING density in automobile registration and travel in the United States is making uniformity and standardization of traffic laws and ordinances a greater necessity than at any time in the past, it was announced by the committee on uniform traffic regulations of the National Conference on Street and Highway Safety, which met on March 14 at the Chamber of Commerce of the United States to consider problems of uniform regulation.

The national conference is an advisory body created by Herbert Hoover when he was Secretary of Commerce, in 1924, and is now under the chairmanship of Secretary of Commerce Lamont.

Recommendations of the committee, based on a thorough and careful consideration of the subject of State and municipal statutory regulation, it was announced, will be submitted to the third national conference on street and highway safety which has been called by Secretary Lamont to meet in Washington at the end of May.

The committee, it was stated, emphatically declared for the utmost practical uniformity in both State laws and the traffic regulations of towns and cities. It was pointed out that the approaching tourist season will increase measurably the number of out-of-State cars in all communities.

The problem of congestion and the necessity for active effort on the part of all communities to reduce the hazards of accidents and fatalities, the committee believes, has put forward the question of uniformity of statutory and regulatory enactments as one of prime importance before the country.

### Maryland May Limit Motor Truck Sizes

Maryland's motor vehicle commissioner, E. Austin Baughman, announced at Annapolis on March 15 that he had asked the State's attorney-general to prepare a bill which would limit the length and height of motor trucks and trailers on Maryland highways. He said he had received many complaints that trucks and trailers were making dangerous the operation of passenger cars.

### Oregon Fixes Bonds for Motor Carriers

**A** MOTOR carrier engaged exclusively in interstate commerce may not be required to file a surety bond for the protection of shippers, according to an opinion to the Public Service Commission by the State's attorney-general, I. H. Van Winkle.

The opinion cites a decision by the United States Supreme Court in *Michigan Public Utilities Commission v. Duke*, U. S. 570 60 L. ed., 445, and a decision in *Red Ball Transit Co. v. Marshall*, 8

Fed. (2nd) 635 (Ohio), holding that the requirement of an insurance policy or indemnity bond has no relation to public safety and the collection of compensation for the use of the highways, but would be an infringement on interstate commerce.

### "Largest Van" Again?

The Knoxville Fireproof Storage Co., Knoxville, Tenn., has placed in service a \$10,000 3½-ton truck, of White bus type, with a body capacity of 10,733 cubic feet. There is no tail gate extension and the rear door is locked on the cargo at the beginning of a trip.

J. Roy Long, manager of the firm's household department, believes it is the largest-sized furniture moving van on the roads.

As an advertising medium the Knoxville company has had a "dummy" vehicle, similar in size and coloring and lettering, set up at Depot Avenue and Humes Street at a cost of \$175.

### Would Forbid Buses to Carry Freight

Buses used to transport passengers would be prohibited, under a bill introduced in the New York State Legislature, to carry any merchandise other than the passengers' personal baggage and wares.

### Receivership for Caddo Co.

The Caddo Transfer & Warehouse Co., Inc., Shreveport, La., was, upon its own application and of the General Motors Truck Co. and the 707 Tire Co., placed in the hands of a receiver by Judge Mills of the United States District Court on March 7.

The General Motors firm set forth that the Caddo company owed it \$606.63. The 707 claimed to be a creditor to the extent of \$2,751.92.

The petitioners said that while the non-pledged assets amount to \$60,000, with liabilities reported at only \$20,000, the Caddo firm's affairs made a receivership desirable.

### R. V. Ford Marries

R. V. Ford, of Council Bluffs, Iowa, treasurer of the Ford Bros. Van & Storage Co. of Council Bluffs and Omaha, and Miss Marjorie Marshall were married on Feb. 15 at the Dodge Memorial Church in Council Bluffs.

### Indianapolis Blaze

Fire on the night of March 9 destroyed a frame warehouse operated at Walnut and Economy Streets, Indianapolis, by Otto J. Suesz. The building contained several trucks, an automobile and packing and upholstering supplies.

### New York Bill to Regulate Motor Carriers of Property

**A** BILL pending in the New York State Legislature would give the State's Public Service Commission general supervision over motor carriers of property, with power to investigate and determine the reasonableness of rates and charges, and to fix and prescribe rates and regulations that would be fair, reasonable and lawful. It provides also for uniform methods of accounting.

"Motor carriers of property" and "public highways" would be defined and the carriers would be licensed by the Commission and required to obtain certificates of public convenience and necessity.

### Ohio P. U. C. Ruling

The Railway Express Agency, Inc., conducting an express transportation business that is nation-wide in scope, has by the Ohio Public Utilities Commission been denied the right to operate motor trucks for transportation of express between Ohio points already being satisfactorily served by trucking companies holding certificates of public convenience and necessity granted by the Commission.

The Frazier-Young Trucking Co. and the Carrollton Trucking Co., holders of certificates for transport of property between some of the points sought to be served by the Agency, opposed before the Commission the Agency's application, and the Commission in March sustained the trucking companies' opposition.

### Bondholders Urged to Retain Coupons

The bondholders' protective committee for the first mortgage bonds of the Great Lakes Terminal Warehouse Company of Toledo, Ohio—bonds which are outstanding in the amount of \$2,250,000 and on which interest due on March 1 was not paid—announced on March 12 that the Bank of America, in New York, would act as depository for the bonds if it should be desirable to make a call for deposits. The committee urged bondholders not to exchange their coupons for preferred stock and to send their names to the committee.

The committee comprises Albert Blum, James N. B. Hill and Frank D. Pavey. Pavey & Higgins, 32 Liberty Street, New York, is counsel for the committee, which is making an investigation of the affairs of the company.

### Correction

The symbol NFWA, signifying membership in the National Furniture Warehousemen's Association, was through error included in the listing of the Pulliam Transfer & Storage Co., Dallas, Tex., on page 457 of the 1930 Warehouse Directory published as part of the January issue of *Distribution and Warehousing*. The Pulliam firm is not a member of the N. F. W. A.



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This map, in colors, and produced for us by Rand, McNally & Co., sets down the geographical locations of public warehouse companies—merchandise, household goods and cold storage—listed in the New York City sections of our 1930 Warehouse Directory (January) issue. Each company is designated by a number, and the companies' names and their corresponding numbers are shown.

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### Corporations Doing Business in Other States . . . . . \$5.00

State Regulations and Requirements  
By H. A. Haring

### Custom House Guide . . . . . 5.00

Contents include all warehousing regulations prescribed by U. S. Customs authorities, and information on how to become bonded; also warehousing standard terms and conditions.

### The Distribution Age . . . . . 3.20

A Study of the Economy of Modern Distribution.  
By Ralph Borsodi

### Household Goods Warehousing in the United States . . . . . 6.00

Selection of site, building design and construction, accounting, stowing, insect control, estimating, cartage, packing, rates, insurance, etc.

By Clarence A. Aspinwall

### The Merchandise Warehouse in Distribution . . . . . 0.10

A Department of Commerce publication.

### Simplified Rate Manual for Merchandise Warehousemen . . . . . 3.00

Compiled and published by the Texas Warehouse & Transfermen's Association, Inc. A basis of scientific rate structure; an analysis of handling and draying revenues. In lots of ten or more, \$2.75 a copy.

By D. W. Tackett

Merchants Fireproof Storage Co., Inc., Dallas

### Standard Contract Terms and Conditions 0.05

A Department of Commerce publication.

### Suggestions for the Practice of Commercial Arbitration in the United States . . . . . 1.85

Prepared by the American Arbitration Association.

### Trade Associations: The Legal Aspects . . . \$5.10

Trade association law, statistics, uniform cost accounting, credit bureaus, purchasing, standardization.

By Benjamin S. Kirsch

### Traffic Management . . . . . 3.70

A comprehensive treatment of traffic management.

By G. Lloyd Wilson, Ph.D.

### Warehouse Directory (subscription to *Distribution and Warehousing* included) . . . 3.00

The industry's annual reference volume, containing statistics and data regarding warehouse companies throughout the United States and Canada.

The 1930 edition appeared as part of the January issue of *Distribution and Warehousing*. Single copies each . . . . . 5.00

### Warehouse Forms . . . . . 0.10

Simplified Practice Recommendations No. 34 of the U. S. Department of Commerce. Describing and illustrating the standard warehouse documents approved by the Government.

### Warehousing . . . . . 10.00

Trade customs and practices; financial and legal aspects.

By H. A. Haring

### Warehousing General Merchandise—An Encyclopedia

Prepared by the American Warehousemen's Association.

Regular Edition to A.W.A. members: Vol. I, \$10;

Vol. II, \$5. Both . . . . . 12.50

Regular Edition to non-members: Vol. I, \$15;

Vol. II, \$7.50. Both . . . . . 20.00

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Vol. II, \$10. Both . . . . . 25.00

Please Send Payment With All Orders

# WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of *general interest* to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

## Rules Which Trade Associations Must Observe Are Outlined by National Chamber of Commerce Executive

TRADE associations, by observing the "rules of the road," can contribute materially to the promotion of better management in business, Dr. Hugh P. Baker, manager of the Trade Association Department of the Chamber of Commerce of the United States, said in an address before the National Management Congress at Chicago on March 3.

The rules under which trade associations can operate most effectively, he declared, have been rather generally defined today.

"Under our anti-trust legislation, made up of the Sherman Act, the Clayton Act and the organic Act of the Federal Trade Commission," Dr. Baker explained, "there are three rules in particular which must be observed. Business men in their associations, or out so far as that is concerned, cannot get together and agree as to the price of their commodity or service. If we were to examine critically agreements for price fixing which have in the past been declared by the Courts to be illegal, it would seem more than evident that it is not only illegal to fix prices but it is uneconomic and it never works for any length of time. Members of an association cannot

agree to restrict production nor can they allocate or divide sales territory. These three rules must be observed by associations both in letter and spirit.

"There are then other rules which must be observed as certain association activities are carried on.

"If a trade association is operating a credit bureau it cannot set up a black list and distribute it promiscuously.

"If it is developing uniform cost procedure among its membership, an activity of very great importance, the members cannot agree as to the average cost of their commodity or service.

"If the association is developing facts as to the industry and presenting these facts in statistical form, which again is one of the most constructive things that can be carried on by an association, it must be careful to give these facts out as facts and not attempt to interpret their meaning for the membership.

"While the average association is much more concerned with what it can do rather than with what it cannot do, nevertheless the rules of the road which the association must travel should be most carefully observed."

### Colorado Men to Seek Reciprocity in Truck Taxation

TAXATION and control of transfermen's activities were the subjects prominently discussed at the eighth annual convention of the Colorado Transfer & Warehousemen's Association, held on Feb. 14-15 at the Oxford Hotel in Denver. Officers were elected as follows:

President, James P. Logan, owner Logan Moving & Storage Co., Denver.

Vice-president, St. George Tucker, vice-president Pikes Peak Warehousing Co., Colorado Springs.

Secretary, Lester W. Freedheim, secretary Kennicott-Patterson Warehouse Corp., Denver.

Treasurer, James Duffy, Duffy Storage & Moving Co., Denver.

Directors elected are the retiring president, Charles McMillan, president McMillan Transfer, Coal & Storage Co., Fort Collins; W. L. Couey, owner Couey Storage & Transfer, Trinidad, and William H. Buehler, president Buehler Transfer Co., Denver.

A major problem of the members is the regulation of non-licensed carriers, owing to lack of a law definitely covering the warehouseman who makes an occasional haul of household goods from one community to another. While the association has worked out a plan of

regulation with the Public Utilities Commission—as explained in the February issue of *Distribution and Warehousing*—whereby definite schedules of rates to be charged are filed with the Commission, which in turn grants permits to those who apply and who agree to abide by the regulations and tariffs, it has not been possible for the Commission to prevent all cases of illegal hauling, inasmuch as the Commission has been unable to spread its inspectors over the entire State.

Early in the convention's sessions the Commission was criticized because this situation exists but later the attitude of speakers became more tolerant and gave way to appreciation of what the Commission has accomplished in cooperation with the association.

Robert V. H. Work, Denver, who had much to do with assisting the Commission in developing tariffs and control, spoke on "Past Accomplishments of the C. T. & W. A. and What Is Its Future?" He outlined the difficulties encountered by the Commission and explained the machinery of regulation.

A feature of the program was an address by Henry Reimers, Chicago, executive secretary of the National Furniture Warehousemen's Association, on the operations of the Allied Van Lines, Inc. One factor retarding A. V. L. development, as he viewed it, was exorbitant taxation on Colorado trucks entering

Kansas, New Mexico and Arizona, which have no reciprocal arrangements with Colorado and so compel the Colorado truck operators to pay heavy fees. Mr. Freedheim discussed this situation, whereafter President McMillan appointed a committee to consult Colorado's secretary of State with a view to bringing about reciprocity.

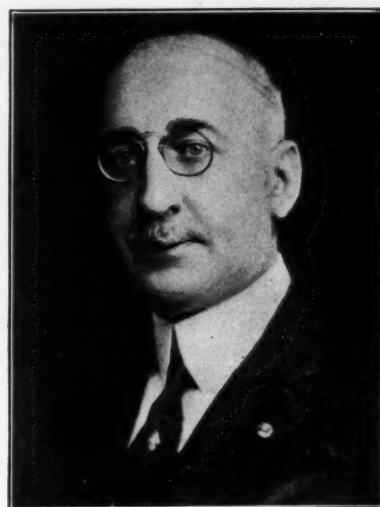
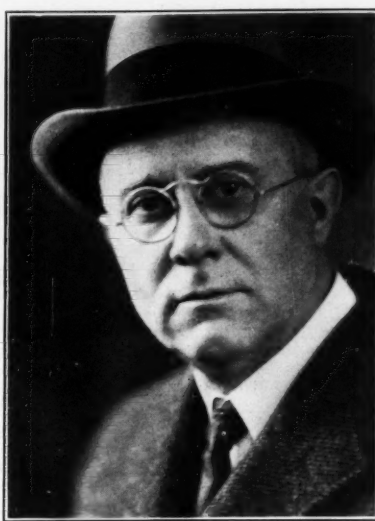
"Taxation as It Affects the Transfer and Warehouse Industry" was considered by L. G. Dameron, Denver, who cited the multiplicity of assessments which members of the industry are compelled to pay—corporation, vehicle, license, per ton on intercity hauls, gas, and on goods in storage.

Emerson Jones, Alamosa, talked on "How Can We Make Conventions More Interesting and Beneficial to Our Members?" Following discussion it was decided that the executive secretary should, in advance of the next meeting, send out a questionnaire asking the members what subjects they wanted particularly placed on the program.

Reports of business conditions within the industry showed the situation to be good except in the beet-growing sections of northern Colorado, where an early freeze caught most of the beets still in the ground.

E. A. Howard Baker, general secretary of the American Warehousemen's Association, reviewed the A. W. A. and

**Executives Recently Elected Presidents of Trade Associations**



*Left, William R. Kissick, Ohio Warehousemen's Association. Center, B. C. Hubbard, Michigan Furniture Warehousemen's Association. Right, Frank M. Cole, Kansas City Warehousemen's Association*

N. F. W. A. conventions at Biloxi last January.

—Willis Parker.

**Conklin Heads I.F.W.A.**

The Illinois Furniture Warehousemen's Association at its February meeting elected William Conklin, manager of the Jackson Storage & Van Co., Inc., Chicago, as president to succeed the late Earl C. Iredale of Evanson. Mr. Conklin was formerly vice-president.

L. N. Foster, vice-president of the Garfield Park Storage Co., Chicago, was chosen vice-president in succession to Mr. Conklin.

**F. M. Cole Again Heads Local in Kansas City**

THE Kansas City Warehousemen's Association held its annual meeting at the Kansas City Athletic Club on Feb. 22 and reelected as president Frank M. Cole, general manager of the Radial Warehouse Co. Other officers chosen are:

Vice-president of the household goods division, Joseph C. Wirthman, president Lincoln Storage & Moving Co.

Vice-president of the cold storage division, H. C. Trask, U. S. Cold Storage Co.

Vice-president of the merchandise division, Roy Jones, United Warehouse Co., Wichita, Kan.

Secretary-treasurer, Byron Mohrbacher.

New directors elected as C. C. Daniel, president Central Storage Co.; A. T. Brugh, secretary Grandview Club Transfer & Storage Co. (Kansas City, Kan.); John A. Groves, president Groves Storage Warehouse, Inc., and F. J. Lewis, president Federal Van & Storage Co.

**Spear Elected President in Massachusetts**

AT the annual meeting of the Massachusetts Warehousemen's Association, held in February instead of January so as not to conflict with the A. W. A. and N. F. W. A. conventions at Biloxi, Samuel G. Spear, treasurer of Wiggin Terminals, Inc., Boston, was again elected president.

R. M. Tyler, secretary of the Standard Storage Co., Boston, was chosen vice-president, and H. S. Wiggin, vice-president of Wiggin Terminals, Inc., was chosen treasurer. Olin M. Jacobs, Boston, continues as secretary.

The executive committee comprises Mr. Spear, Mr. Tyler, Mr. Wiggin and B. R. Gage, manager of the general storage department of the Quincy Market Cold Storage & Warehouse Co.; William B. Mason, vice-president of the Merchants Cold Storage & Warehouse Co., Providence, R. I., John L. Nichols, vice-president of the Merchants Warehouse Co., Boston, and Julian F. Greeley, manager of the New England Storage Warehouse Co., Roxbury.

Ray M. Hudson, formerly chief of the Division of Simplified Practice of the United States Department of Commerce and now on the staff of the New England Council, addressed the Bay State members at their March meeting.

**Association in Memphis Elects Tulley Robinson**

AT the annual meeting of the Memphis Warehousemen's Association on March 6, Tulley Robinson, of the Robin-

son Transfer & Storage Co., was elected president, succeeding W. H. Dearing, secretary of the John H. Poston Storage Warehouses, Inc.

J. P. Newell of the P. H. Vernon Warehouse Co. was chosen vice-president.

Skelton Driver, president of the Tennessee Terminal Warehouses, Inc., was elected secretary-treasurer for a third term.

**Ohio Warehousemen Vote Down Plan to Merge With Haulers**

AFTER full discussion of a plan that the Ohio Warehousemen's Association and the Ohio Association of Commercial Haulers merge, the former organization at its annual convention, held at the Deshler-Wallick Hotel in Columbus on Feb. 17, opposed the suggestion, which had been made by Frank R. Kirby, Columbus, manager of the haulers' body. Mr. Kirby believed that consolidation would be beneficial to both associations and give the State's combined warehousing and haulage interests more prestige, particularly with regard to legislation.

Most of the members of the warehousemen's organization are already affiliated with O. A. C. H., and Mr. Kirby and the executive committee of the O. A. C. H. favored a merger. Members of the warehousemen's association viewed the situation differently at their meeting, however, believing that their own interests would be better served by continuing their own organizations.

The Ohio W. A. reelected the three directors whose terms were expiring—





EIGHTH ANNUAL CONVENTION COLORADO TRANSFER &amp; WAREHOUSEMEN'S ASSOCIATION, DENVER, FEB. 14-15, 1930

Scene at the banquet of the eighth annual meeting of the Colorado Transfer & Warehousemen's Association, at Denver, on Feb. 14-15

Herbert H. Lederer, president of the Lederer Terminal Warehouse Co., Cleveland; E. H. Lee, secretary of the H. C. Lee & Sons Co., Toledo, and Edward Wuichet, president of the Union Storage Co., Dayton, each for three years. After adjournment of the convention the board of directors elected the following officers:

President, William R. Kissick, president Neal Fireproof Storage Co., Cleveland.

Vice-president, William H. Kutschbach, treasurer Kutschbach-McNally Co., Columbus.

Secretary, Don C. Welch, manager Security Storage Co., Cincinnati.

Addressing the convention, Wilson V. Little, Chicago, executive secretary of the merchandise division of the American Warehousemen's Association, urged more definite cooperation between the national and State organizations. He disapproved of the practice of some warehousemen speaking disparagingly of their competitors and advocated establishment of a high code of trade practices within the industry. He cited some of warehousing's current objectives as follows:

1. Combined opposition to the Federal Barge Line practice of according free storage on sugar and other commodities.
2. Cooperation with bankers, promoters and others to avert additional storage space when conditions did not warrant.
3. Effort to prevent the United States warehouse Act from being broadened to include further commodities within its provisions.
4. Opposition to the loaning of moneys by the Federal Farm Board to marketing associations which plan to erect or extend warehouse facilities in localities already operating ample space at reasonable rates.
5. Promulgation by the Federal Trade Commission of a merchandise warehousing code of practice.

Hubert Fuller, a Cleveland attorney who has specialized in warehouse problems, after tracing the development of other lines of business, urged the warehousemen to oppose any movement to bring them under governmental super-

vision, either national or State or local. He emphasized that other industries which had permitted such supervision had been "throttled." He pointed out also that price cutting did not increase the volume of available business but caused only a demoralized rate structure. Also he advocated adherence to a code of ethics and advised accommodation to the shifting trends of business.

W. R. Hoag, Chicago, was among the speakers who opposed any merger of the warehouse and haulage associations. Their aims and purposes were distinct in many ways, he pointed out.

While the time and place for the next meeting will be decided by the directors, it was the consensus of the members that there should be a mid-summer gathering.

At the evening banquet Mr. Kissick presided.

—J. W. Lehman.

### Florida Body Elects Smith as President

AT the first annual meeting of the Florida Warehousemen's Association, held at the Carling Hotel in Jacksonville on Feb. 14, the organization



Sidney A. Smith, elected president of the reorganized Florida Warehouse & Transfer Association

changed its name of Florida Warehouse & Transfer Association, thus making eligible to membership all merchandise and household goods storage companies and local and long distance transfer firms in the State. Officers were elected as follows:

President, Sidney A. Smith, manager Lee Terminal & Warehouse Corporation, Tampa.

Vice-president, Horace C. Avery, vice-president Union Terminal Warehouse Co., Jacksonville.

Secretary, M. C. Berry, secretary Service Warehouse Co., Jacksonville.

Treasurer, Henry Wiesenfeld, owner Wiesenfeld Warehouse Co., Jacksonville.

The meeting was called to order by the retiring president, Mr. Wiesenfeld, who reviewed the year's successful accomplishment, particularly with regard to legislation.

Frank J. Heintz, a Jacksonville attorney, addressed the delegates on "Law Relative to the Industry" as enacted by the State Legislature; he outlined the laws touching on motor vehicle regulation.

In an address on "Trade Relations Within the Industry," Sydney Green, Atlanta, executive secretary of the Southern Warehousemen's Association, urged clean and ethical competition and pledged the support of the Southern organization in promoting the interests of the Florida body.

Mr. Smith led a discussion on "Special Services" which shippers expect from warehousemen without remuneration, and reviewed briefly the high lights of the Biloxi convention of the American Warehousemen's Association in January.

A letter was read from Wilson V. Little, Chicago, executive secretary of the merchandise division of the A. W. A., promising assistance in developing a strong organization in Florida.

### Minneapolis Transfermen Elect La Belle President

The Minneapolis Transfermen's Association at its annual meeting on Feb. 17 elected as its president George La

### Announcements of New Memberships

American Chain of Warehouses

Independent Coal & Transfer Co., Boise, Idaho.  
Wilson Storage & Transfer Co., Sioux Falls, S. D.

Canadian Storage & Transfermen's Association

P. G. Heyward, Ltd., Toronto.  
Westmount Moving & Warehousing, Ltd., Westmount, Que.

Winder's Storage & Distributors, North Battleford, Sask.

Cleveland Furniture Warehousemen's Association

Bramley Storage & Power Block.  
Lakewood Storage Co.

National Furniture Warehousemen's Association

R. L. Daniel Storage Co., El Paso, Tex.

### Oregon Warehousemen Form a State Association



Some of the executives who organized the Oregon State Warehousemen's Association, as told in the March issue of DISTRIBUTION AND WAREHOUSING. At extreme left, R. A. Chapin, the first president. Fourth from left, Henry Reimers, Chicago, executive secretary of the National Furniture Warehousemen's Association

### Pennsylvania F.W.A. Elects W. E. Sweeting As New President

ACTING for the first time under its new by-laws, the Pennsylvania Furniture Warehousemen's Association held its thirteenth annual meeting, on Feb. 11, at the Lorraine Hotel, Philadelphia. The total attendance for the business session in the afternoon and the entertainment in the evening was approximately 150. Features of the meeting included the considerable number of guests from other chapters, and ladies present; the reception and approval of a plain-spoken address on "The Moving and Storage Business as a Racket," by Hugh Smith, manager of the Better Business Bureau of Philadelphia, Inc., and the approval of recommendations offered by the committee on laws and legislation, through Buell G. Miller, chairman, relative to taking the legal steps necessary before selling customers' goods

for storage charges, to satisfy the warehouseman's lien.

The election of officers and directors and the selection of members to serve on the arbitration committee and the panel of arbitrators, resulted as follows:

President, Walter E. Sweeting, president Atlas Storage Warehouse Co., Philadelphia.

Vice-president, E. W. Irwin, president Erie Storage & Carting Co., Erie.

Secretary, J. Wallace Fager, Miller North Broad Storage Co., Philadelphia.

Treasurer, Frederick L. Harner, chairman of board Fidelity-20th Century Storage Warehouse Co., Inc., Philadelphia.

Directors: L. G. Howard, Keystone Transfer Co., Uniontown; T. W. Barker, Matheson Warehouse Co., Wilkes-Barre, and E. E. Zeiter, E. E. Zeiter Co., Harrisburg.

Arbitration committee, F. G. Lazarus, F. G. Lazarus 20th Century Storage, Bethlehem; James E. Kromer, E. F. Kromer & Sons, Wayne, and I. D. Replogle, I. D. Replogle Storage Co., Johnstown.

Panel of arbitrators, non-affiliated members, G. H. Lazarus, F. G. Lazarus 20th Century Storage, Bethlehem; J. E. Headley, Headley's Express & Storage Co., Chester; L. E. Krebs, Krebs Bros.' Drayage Co., Clearfield; A. D. Pyle, A. Duie Pyle, Coatesville; S. E. Miller, Easton Mt. Vernon Storage, Easton; E. W. Erwin, Erie Storage & Carting Co., Erie; D. B. Brandt, Harrisburg Storage Co., Harrisburg; C. M. Neff, Lancaster Storage Co., Lancaster; R. J. Robinson, Jr., R. J. Robinson, Lansdowne; C. A. Lytle, F. E. Kerr Co., Sharon; J. R. Harris, R. F. Post, Scranton; H. D. Ryan, Keystone Transfer Co., Uniontown; J. E. Kromer, E. F. Kromer & Sons, Wayne; W. D. Leeds, W. D. Leeds' Storage Warehouses, Williamsport, and T. N. Hostetter, Keystone Storage Co., Lancaster.

Belle, president of the La Belle Safety Storage Co.

Mr. La Belle is chairman of the Allied Van Lines round table for the Minneapolis district.

### Pacific Coast Body Changes Its Name to California V. & S. A.

THE California Van & Storage Association is the new name adopted by the Pacific Coast Furniture Warehousemen's Association at its fifteenth annual meeting, held at Avalon, on Catalina Island, California, on Feb. 20-22. The organization will have three divisions, northern, central and southern.

Frank M. Brock, Glendale, Cal., was in the chair as president, and twenty-seven papers were read by delegates. Officers and directors were elected as follows:

President, Herbert B. Holt, San Francisco, secretary Bekins Van & Storage Co., Inc.

Vice-presidents, Robert Palmateer, manager Fidelity Fireproof Storage, Los Angeles, and C. A. Buck, proprietor C. A. Buck Transfer & Storage, Burlingame.

Secretary, Frank A. Payne, Los Angeles, secretary Lyon Van & Storage Co., Inc.

Treasurer, B. Frank Redman, Jr., secretary Redman Fireproof Warehouse Co., Santa Monica.

New directors, Harvey B. Lyon, secretary Lyon Storage & Moving Co., Inc., Oakland; A. I. Lee, Santa Monica; Robert Z. Bekins, Fresno, of the Bekins Van & Storage Co., Inc.; J. R. Zimmerman, secretary City Transfer & Storage Co., Long Beach, and C. E. Turner, proprietor Gem City Transfer & Storage Co., Monrovia.



Walter E. Sweeting, Philadelphia executive elected president of the Pennsylvania Furniture Warehousemen's Association

Mr. Harner, retiring president, told of the approval by the board of directors of a plan to allow chapter presidents to be named as candidates for State president; mentioned approval of the proposition to form a chapter consisting of Pottsville, Scranton, Wilkes-Barre and Williamsport; and reported that the storage warehouse business was about the same as a year ago. Harvey J. Lutz, in his report as president of the Philadelphia chapter, told of the forward step taken by the chapter in adopting uniform rates of storage and in-and-out labor. While business had been fair, he said, there was much room for improvement, and he expressed the hope that the chapter would continue its efforts toward stabilizing business.

The report of James F. Keenan as president of the Pittsburgh chapter, read by Secretary Fager, said that the chapter had been functioning well but that profitable jobs were more scarce now than a few months ago. He mentioned the establishment of the Pittsburgh office of the Allied Van Lines, Inc., and told of a motorbus and taxicab strike which caused some 1,500 persons to be idle since its start. As a result of the trouble, Mr. Keenan wrote, the team and truck owners of the city had organized, using the old charter of the Team & Motor Truck Owners' Association, and already had 1,150 vehicles signed up. Mr. Keenan agreed to serve as president of the organization for one year, and Hugh G. Walsh is secretary. The report expressed the belief that this action was a step in the right direction and stated that plans were maturing for correcting conditions at freight stations and for fighting proposed legislation detrimental to the industry.

The report of Mr. Brandt on behalf of the unaffiliated group, also read by Secretary Fager, said the demand for storage in this group was greater than it had been for some time, and that this was true also of the occupancy. Payment, however, he stated, was slower and collections were more difficult, while second-hand goods are not bringing as good prices as they did a few years ago.

Secretary Fager's report was of unusual interest, tracing back, as it did, the factors causative of the new governing machinery of the associations along the chapter and the non-affiliated member group plan, and explaining the governing functions, aided by maps and charts. Mr. Fager said in part:

"Here, in Philadelphia, for a good many years we have talked about co-operation, but that is about as far as we ever got. Then, last October, Charlie Morris came to a Philadelphia meeting. He didn't wave a flag, or hand out any 'spread-eagle' stuff. Being a native-born Philadelphian, knowing that anything Philadelphia might do would be done slowly, cautiously, yea, even timidly; realizing that the early Quaker settlers had left their stamp on the character of Philadelphia citizens, he gathered the men around him and said quietly: 'Listen and I'll tell you how to make more money.'

"The effect of that meeting was electric. Almost over night those nice little cliques and clans within the association (which make the association itself little more than an ineffective holding corporation) seemed to disappear. Cooperation in Philadelphia became real.

"For many years what was actually a Philadelphia warehousemen's association presumed to call itself the Pennsylvania association and even had the audacity to speak for the entire State. Warehousemen outside of the city were allowed to call themselves 'associate' members. Gradually it became apparent that the entire plan of organization was wrong. The out-of-town members were satisfied. Pittsburgh had a nice, smooth-running organization and its members were willing to pay us \$10 a year to let them alone.

"The matter came to a head when, in February, 1928, Walter Sweeting suggested that P. F. W. A.'s constitution be rewritten along modern lines. A special committee, with Mr. Sweeting as chairman, worked for nearly a year and presented a new constitution, which was adopted at the annual meeting one year ago. Mr. Sweeting's idea of chapters within the State association, similar to the plan of the American Institute of Architects, was maintained, but considerably modified in committee. A supplementary article, attached as a rider to the revised constitution, created chapters in Pittsburgh and Philadelphia; the balance of the members were classified as the non-chapter, or unaffiliated, group. The board of directors is the governing body. It is so constituted that the three groups are represented in proportion to membership. The chart shows the present board of directors. Presidents of the Philadelphia and Pittsburgh chapters automatically become the vice presidents on the State board, representing their respective chapters.

"Each group is allowed one director for every ten members, or major fraction thereof. The unaffiliated group with twenty-nine members has three directors; Philadelphia gets two directors to represent its twenty members, and Pittsburgh's dozen members place one Pittsburgher on the board."

Mr. Smith, manager of the Better Business Bureau, spoke on "The Moving and Storage Business as a Racket." The following is a summary:

"The furniture warehouse business appears to be a 'racket' to many people. The reason is that there are many storage concerns which are exploiting the public and damaging the reputation of the legitimate ones. The people who have had experiences base their opinion of the warehouse business from such contact. This is a serious problem confronting the entire storage warehouse field, and one which deserves the consideration of your association.

"It is only through an association such as yours, which sets up standards of practice and rallies the legitimate elements in the trade for the purpose of conducting the business on the highest ethical plane that real results may be

accomplished in combatting the insidious influences of unscrupulous concerns.

"The racketeering element in any trade usually originates in a small manner, in obscure places. The tendency is for the legitimate elements in the trade to ignore such seemingly insignificant departures from good practice. It is this attitude of indifference which allows the dangerous practices to take root and grow until they have become a menace of such proportions that it is then a major problem as to how to combat them. If warehousemen would maintain a vigilant attitude and quickly squelch every unsound or illegitimate scheme or practice which appears in their trade, they would save their industry from great loss.

"An idea of the nature and extent of the racketeering spirit which is prevalent in some sources in the warehouse trade may be gained from the complaints which the Better Business Bureau is receiving directly from the public.

"I want to read five or ten letters of complaints which the Bureau has received from persons who have had unsatisfactory experiences in dealing with certain so-called warehouses in this city. These complaints show that among the major causes for trouble, are:

"1. Advertisements offering to move 'free to storage,' without any qualifying information to the effect that there are additional charges for labor, elevator fee, and so forth, which 'make the so-called 'free' offer a myth.

"2. Encouraging people to place their goods in storage at ridiculously low prices without informing them that they must keep the merchandise in the place for a minimum period of three to six months. If they do not keep it in the so-called warehouse for that period, they must, nevertheless, pay the full amount for the longer time.

"3. Shockingly filthy conditions in some of these 'gyp' warehouses and inadequate fire protection facilities. The furniture which has been put into some of these places has been practically ruined and has cost the owners great expense in having it refinished.

"4. The advertising of 'dust-proof' and 'private' rooms for furniture, when in reality such places in the 'gyp' warehouses are merely stalls covered by slats and are neither dust-proof, fire-proof, nor private.

"5. Complete disregard for the public after having procured payment for the shipments or storing of goods. The Bureau received many complaints about lost and damaged articles which are completely ignored when brought to the attention of the company.

"6. Large numbers of miscellaneous abuses, some of which are serious and include overcharging, lack of insurance, the acceptance of money and the subsequent non-shipment of goods when requested; the refusal to answer all communications about complaints; the inability of people to examine or remove their merchandise from certain warehouses and so forth."

Mr. Smith at this point read excerpts





Some of the delegates who attended the convention of the Texas Warehouse & Transfermen's Association, at Shreveport, La., on Feb. 20-21

from letters received by the Bureau from complaining customers of such warehouses, mentioning no names to his hearers, but offering comment on the specific cases. He continued:

"These are but a few of the practices that exist, and the Pennsylvania F. W. A. might well make it one of the major objectives of their group to correct these evils and to drive the 'gyp' warehousemen entirely out of the field.

"The best way to combat these practices is through the education of the public. If proper publicity may be used to acquaint them with the dangers of dealing with the 'gyp' type of warehouse, they will naturally desire to protect themselves and deal only with established, or legitimate, concerns. This will make the operations of the unscrupulous warehouses so unprofitable that they will either have to correct their practices, or go out of business.

"The Better Business Bureau has been conducting a continuous campaign of publicity along these lines through bulletins, speeches before women's clubs, by radio, and other means. It urges them to make inquiry at the Bureau office before they deal with any particular storage warehouse, to learn whether complaints have previously been received about it. In this manner they may be diverted from the questionable warehouse and saved from loss. This campaign is but in its infancy and needs the general support and cooperation of the entire warehouse field to make it successful."

At the conclusion of Mr. Smith's address, Mr. Sweeting recommended that more members join the Better Business Bureau. The motion was carried unanimously.

—K. H. Lansing.

#### Canadian Annual June 5, Toronto

THE twelfth annual convention of the Canadian Storage & Transfermen's Association will be held at the King Edward Hotel in Toronto on June 5, 6 and 7, it was announced in March by the secretary, E. A. Quigley, Vancouver, B. C. A Toronto host committee has been

organized with C. A. Richardson as general chairman and with Frank Kennedy in charge of the entertainment phases, and William Pickard, president of the Toronto Cartage & Warehousemen's Association, heading the reception group.

#### Texas Association to Work for Reciprocity in State Motor Laws

INAUGURATING a movement to effect motor vehicle license fee reciprocity among the various States, the Texas Warehouse & Transfermen's Association, Inc., laid plans, at its meeting in Shreveport, La., on Feb. 20 and 21, for the organization's expansion to embrace six States. The convention was attended by more than half a hundred storage executives, public officials and others, with Texas, Oklahoma, Louisiana, Arkansas and Mississippi represented. Officers and directors were elected as follows:

President, Roy Binyon, president



Roy Binyon, new president of the Texas Warehouse & Transfermen's Association

Binyon-Keefe Fireproof Storage Co., Fort Worth.

First vice-president, O. E. Latimer, secretary Scobey Fireproof Storage Co., San Antonio.

Second vice-president, R. B. Albaugh, president Texas Fireproof Storage Co., Waco.

Secretary-treasurer, Neill H. Banister, Fort Worth.

Directors, Walter Jenull, secretary Muegge-Jenull Warehouse Co., San Antonio; Gus K. Weatherred, associate manager Dallas Transfer & Terminal Warehouse Co., Dallas; J. P. Tarry, president Tarry Warehouse & Storage Co., Wichita Falls; L. C. Abbott, manager Fort Worth Warehouse & Storage Co., Fort Worth; John Parks, Jr., owner Central Transfer & Storage Co., Dallas; Benjamin S. Hurwitz, president Westheimer Transfer & Storage Co., Houston, and C. W. Terrell, manager Amarillo Warehouse Co., Amarillo.

The disadvantages of the present system of motor vehicle restrictions were discussed by leading warehousemen and by State officials, resulting in adoption of a resolution setting forth the association's attitude with regard to license fees. A committee comprising Mr. Weatherred, Mr. Tarry and J. N. Childs presented the memorial, which favored full reciprocity between States for motor vehicles operated for hauling, except those having fixed termini and running of regular schedules as do interstate bus lines.

As one means of furthering the plan to bring about reciprocal regulations, it was suggested that the association's territory be broadened to include Oklahoma, Louisiana, Arkansas, Mississippi and New Mexico. On motion by K. K. Meisenbach, Dallas, it was voted to have the idea considered by a special committee to be appointed by the new president and to report at a later meeting. This committee will have one member from each of the six States and a definite report with recommendations is anticipated at the convention next August. The location of the meeting is yet to be selected by the directors.

Mr. Banister, broaching the subject

**N. F. W. A. Gathering After the Biloxi Convention**

Following the National's meeting in Mississippi in January, some of the delegates visited various resorts in the South. This group, which spent a few weeks at Hot Springs, Ark., includes Mr. and Mrs. George Kindermann and Mr. and Mrs. Louis Schramm, New York; Mr. and Mrs. Joseph H. Meyer and Miss Shirley Meyer, Chicago; Mr. and Mrs. George N. Winkler, Far Rockaway, N. Y., and Charles D. Strang, Brooklyn

of State reciprocity, declared it was assuming national importance, and he urged that a uniform code of regulations be the objective. In the truck legislation recently enacted in Texas, he pointed out, there was no provision for reciprocity, the Act having been rushed through the Legislature without the warehouse industry having been given opportunity to present its views. An amendment was essential, he said, to eliminate the harmful influence on the industry.

Robert A. Wicker, Oklahoma City, stated that a more reasonable situation existed in Oklahoma, where no additional license was required by vehicles which, from other States, did not remain in Oklahoma longer than sixty days. Roy C. Martin, Fort Smith, Ark., J. B. Harrin, Shreveport, and J. P. Ricks, Jackson, explains the laws in Arkansas, Louisiana and Mississippi, respectively, and favored reciprocity.

J. H. Anderson, a Louisiana State Senator who recently served as chief enforcement officer of the Louisiana State Highway Commission, expressed opinion that unless the States arrived at a satisfactory system of cooperation the Federal Government would step in. He said he would seek to have Louisiana grant full reciprocity to vehicles from other States which granted the same privileges to Louisiana trucks.

After reviewing the experience of Texas warehousemen with the merchandise tariff prepared by D. W. Tackett, Dallas, Mr. Weathered made a plea for cooperation and understanding citing accomplishments in other lines. He urged that competition be made a

matter of service rather than of price. Eliminating price competition would make less friction and the industry would progress more soundly, he said, stating that the tariff problem was one of application and suggesting that the Tackett tariff, simple and effective, had been found to be more satisfactory than any other that had been worked out. Several warehousemen reported that the Tackett tariff was being used satisfactory, and Mr. Herrin announced that it would be placed before the Shreveport warehousemen for adoption.

The truck and labor hire reciprocity system in effect in Dallas was endorsed by the association after an address by W. H. Fry, Dallas, who pointed out that it enabled the warehousemen to reduce labor costs.

Improvement in long distance hauling was reported by Mr. Tarry in a review of the activities of furniture warehousemen in 1929 as compared with 1928. Price competition was still a dominant factor, he asserted, but, through the Allied Van Lines, Inc., of the National Furniture Warehousemen's Association, this evil was being eliminated. Mr. Tarry declared it his belief that some new form of activity would arise to be the making of the storage warehouse business. He cited the success of moth fumigation as one new means of income.

Declaring that the warehouse industry was the poorest organized of all lines of business with regard to insurance, W. B. Hoe, Dallas, formerly of the Texas State Insurance Department, said that unless insurance matters were placed under the direction of a central figure, difficulties were to be encountered. He

outlined the new schedule of insurance rates effective March 1.

Mr. Binyon, discussing "Getting Your Public into Your Household Goods Warehouse," urged that the advantages of warehousing be impressed more strongly on the public. Methods of placing various articles in vans so as to prevent damage were described by Mr. Oaks. A. L. Hernandez, San Antonio, stressed the importance of salesmanship and of obtaining fair prices with fair profits. Mr. Latimer urged that space be priced so as to assure profits.

During the convention the delegates were the guests of the Shreveport warehousemen on a motor trip to a broadcasting station and at a smoker, and they were welcomed to the city by Mayor E. L. Thomas.

### Leonard Reports for N.F.W.A. Committee on Warehouse Construction

**S**MALLER lots are now being received in storage in household goods warehouses than was formerly the case, Arthur A. Leonard, Detroit, states in his report as chairman of the warehouse construction committee of the National Furniture Warehousemen's Association. Mr. Leonard's report was not completed in time to be presented at the National's Biloxi convention in January but was sent to the Chicago headquarters later.

"These smaller lots," the chairman said, "may be handled to greater advantage through the use of mezzanine racks, which may be installed at a quite reasonable price. They need not be of steel; no insurance credit is given for steel racks, and no charge is made for wood. Through the use of racks these smaller lots are handled with no loss of space, and, because of the higher rate on small lots, there is a nice increase per square foot in revenue."

Mr. Leonard outlined some of the ideas recently introduced in storage and construction by members of the National, and reiterated what he told the delegates at Biloxi—that his investigations had shown no need for new buildings. "Quite the reverse," he declared; "the committee recommends that no new building be undertaken unless unavoidable."

### Sterilization Bill Rouses New Yorkers to Statewide Fight

**A**DVERSE legislation and cooperative advertising occupied the attention of the New York Furniture Warehousemen's Association at its March meeting, held at the Aldine Club on the 10th. It was voted to rally the State's household goods storage industry against a proposed law which would require sterilization of second-hand furniture when sold outside private homes; and decision was reached to have a research organization conduct a survey to determine whether a joint advertising and

publicity campaign should be profitable.

The sterilization bill, introduced by an up-State Senator, was brought to the association's attention by John G. Neeser as legislative committee chairman, and was outlined in detail by Jacob H. Corn, counsel for the Association of United Auctioneers of New York. Should the measure be enacted, speakers pointed out during subsequent discussion warehousemen who sold customers' goods to meet unpaid storage charges would be vitally affected. Household articles such as mattresses, upholstered furniture, etc., would have to be sterilized; each piece would have to have affixed to it, Mr. Corn explained, a one-cent revenue stamp sold by the State; and every warehouse company would have to pay a \$50 fee to operate a sterilization plant. Speakers held the measure to be iniquitous, ambiguous and unnecessary.

Thomas F. Murray, president, believed the bill should be opposed, and on motion by Mr. Neeser it was voted that the association send a wire to that effect to the legislator, Senator Williams of Utica, who had introduced it. The motion provided further that Mr. Murray should appoint a special committee to go to the State capital, Albany, on March 12, to urge against enactment. Mr. Murray appointed on this committee the association's secretary, William T. Bostwick, Walter W. Weekes, who is secretary of the Furniture Warehousemen's Association of Brooklyn and Long Island, and Ernest H. Milligan. Mr. Neeser announced that he had written to a number of up-State warehousemen asking them to attend the hearing, and Mr. Bostwick stated he would send to all members of the New York State Warehousemen's Association, of which he is secretary also, telegrams, in advance of the hearing, asking them in turn to wire their State Senators not to favor the bill.

### Advertising

As chairman of the sales expansion committee, Mr. Milligan presented a tentative plan under which Dr. Daniel Starch, formerly a professor of advertising and business psychology at the Harvard School of Business Administration and now head of a research agency, would conduct, on behalf of the association, a survey to determine to what extent the general public is informed regarding the services and functions of the household goods storage industry. The survey would be made among selected lists of families, including those of mechanics, the "white collar" class, lower and higher paid business executives, and the wealthy.

From results of such a survey it would be determined whether the association as a whole, or part of the members of the group, should enter on a campaign of cooperative advertising and publicity of educational character, in newspapers, local magazines, by direct mail, over the radio, in cars and buses, on outdoor billboards, etc., the purposes to be to create more business, "sell" the industry to the public, give warehousing the prestige it deserves, etc.

On motion by Mr. Bostwick, the Mil-

ligan committee was empowered to have the survey made, and a limited sum of money was authorized appropriated for the purpose, the cost to be distributed *pro rata* over the entire membership.

As chairman of the Allied Van Lines round table group, Barrett C. Gilbert reported that the members had voted that only agents of the A. V. L. could contract for Allied business. This terminated a suggested idea that members of the Van Owners' Association of Greater New York, not members of the A. V. L., might be permitted to act as non-hauling agents.

Charles D. Morgan offered a resolution under which cartage and labor rates to the warehouse be increased. No action was taken, the situation being referred to the better business methods committee for study and a report at a later meeting.

Mr. Bostwick reported that there seemed little likelihood that the State Legislature, at its present session, would enact into law the pending bill calling for Public Service Commission control of motor truck operation. He warned that it was a situation to be watched, however, saying that eventually the association must decide whether it approved or opposed commission regulation.

Some weeks ago Mr. Bostwick, as secretary of the State association, sent to all its members a questionnaire asking expression of their attitude. At the N. Y. F. W. A. meeting he stated that the replies from up-State warehousemen indicated that they were generally in favor of some sort of commission supervision.

—K. B. S.

In opposition to enactment of the sterilization bill mentioned in the foregoing report, Mr. Bostwick and Mr. Milligan spoke at the Albany hearing on March 12 as representatives of the New York State W. A. and New York F. W. A. respectively.

The trend of the hearing indicated that it was unlikely that any measure would go through that would compel sterilization of household goods articles other than used mattresses.

### Detroit Van Owners Seek Elimination of "Fly-by-Nights"

THE Detroit Van Owners' Association is cooperating with the local Better Business Bureau in an effort to restrict the operations of furniture movers who by spacious advertising prey on the public. A. N. Morris, executive secretary of the association, estimates that there are about 200 such movers in Detroit and suburbs.

Representatives of the Better Business Bureau are endeavoring to have the city's newspapers reject advertising from firms or individuals guilty of fraudulent tactics. A fractional measure of such cooperation has already been assured.

Two of Detroit's three daily newspapers publish furniture movers' classified advertisements. Some are said to

be inserted by "fly-by-night" operators whose prosperity depends on fleecing uninformed customers.

A Detroit ordinance requires all furniture movers to be licensed and to post surety bonds of \$1,000 each, for the protection of the public. According to Mr. Morris only about half of the known movers have complied.

—Philip N. O'Hara.

### New Jersey Body Opposes Removals Bill in Assembly

THE New Jersey Furniture Warehousemen's Association at its February meeting in Newark went on record, by 13 to 7 votes, opposing Assembly Bill No. 292, which if enacted would require warehousemen to file notices of removals.

This is the measure which was discussed on the floor of the Biloxi convention of the National Furniture Warehousemen's Association last January. As chairman of the New Jersey organization's committee handling the situation, Nathan L. Goodman, Jersey City appeared at Biloxi with a protest, on behalf of a group of the New Jersey members, against any attempt by the National to dictate to the New Jersey association as to its stand either for or against the bill. Mr. Goodman spoke on "State rights" and declared that the New Jersey association should be permitted to decide for itself whether it wished to approve or fight the measure.

Speakers at the Biloxi convention held that enactment of a removals law in New Jersey would be detrimental to the industry in other States, and the delegates at the Biloxi meeting adopted a motion asking the New Jersey association to reconsider its earlier action in seeking removals legislation which, in the opinion of the New Jersey men backing it, would benefit the warehousemen within the State.

Following the action taken by the New Jersey body in February, opposing the bill, Mr. Goodman asked to be relieved of the committee's chairmanship, declaring he could not conscientiously act further in view of the fact that he favored enactment of the measure. The members extended Mr. Goodman a vote of confidence.

Frederick Petry, Jr., Trenton, president, announced the 1930 committees, the chairmen of which are as follows:

Legislation, Norman Hotchkiss; uniform methods, William T. Bostwick; freight transportation, Joseph Donnelly; motor transportation, Griswold B. Holman; cost accounting, James E. Milligan; insurance, Willard Elredge; membership, Richard Coyne, Jr.; advertising-publicity, Charles Sebold; entertainment, Frank J. Summers, the association's secretary.

### E. E. Kidd Dies

Earl Eugene Kidd, assistant manager of the Union Terminal Warehouse Co., Jacksonville, Fla., died recently. Mr. Kidd had long been secretary of the Jacksonville Warehousemen's Association.



### **The Album Series Gives a Story of Career of Spear**

(Concluded from page 27)

with a letter of recommendation. He remained with the National sixteen years, starting in as office boy and working up to the position of superintendent—doing, along the way, such odd jobs as making trial balances, running a donkey engine, tanning South American hides for shipment, and trucking hemp.

Hoisting of packages was done mostly on the outside of the buildings, in those days, with aid of crane and engine. And in this connection Mr. Spear had one experience he still remembers as one of the most vivid moments of his career.

He had an errand on the eight floor. A package of hemp was being hoisted to that story by means of a rope with two iron hooks clamped into the package. Mr. Spear hopped on board, holding to the rope with his hands—meaning to save time by having himself hoisted up with the hemp. The engineer had a few drinks under his belt and he forgot to stop at the proper place. Had the passenger's fingers struck the windlass at the top, nothing could have prevented them from being cut off—and it was a 100-foot drop to the street.

Mr. Spear's mind worked fast—and so did his fingers, for he managed to slide them underneath so that he could hold on and still protect himself from injury. How his tongue worked when he got back on *terra firma* to face the negligent engineer is not on record.

In 1909 a new enterprise was started in the Charlestown district of Boston, almost in the very shadow of Bunker Hill monument. It was the Wiggin Terminals, Inc. Mr. Wiggin needed someone with warehousing experience to take charge, so he sent for Mr. Spear and made him an offer. Mr. Spear joined him that year and has remained.

During the two past decades practically the whole of the present \$5,000,000 plant operated by the firm has been built, together with a large branch in South Boston. When Mr. Spear joined the organization its office was a railroad shanty standing on filled land where the Charlestown boys had once gone swimming off the mud flats. A cinder road led to a pier shed which had just been completed.

Today Wiggin Terminals, Inc., comprises fireproof buildings with some 600,000 square feet of floor space; an 800-foot pier shed; leased property in South Boston with 225,000 square feet of storage space; lumber terminals with a capacity of 500,000,000 feet of lumber a year; two fumigating plants with a capacity for handling daily 2,000 bales of foreign cotton; a large trucking outfit; gas and electric units; and all the equipment pertaining to modern distribution and warehousing.

Here come lumber boats from Washington, Oregon and British Columbia, bringing their treasures of the forest in cargo lots, by way of the Panama Canal,

to be distributed by rail and truck through New England. Here are unloaded bales of cotton from Egypt, India, China and Peru, and other imported commodities to feed New England's textile and paper mills. And here, indeed, might an author wisely look for the romance of warehousing.

Mr. Spear has long been active in church and civic work. He served as chairman on the finance committee at Sharon, Mass., where he formerly lived and for years taught in the Sabbath School of the Baptist Church. He was a pioneer in cost accounting work in the warehousing industry, having collaborated with Chester B. Carruth along that line, and he has been a member of the American Warehousemen's Association for twelve years. His work has brought him into all the association activities, and here his experience in handling town meetings and forums has stood him in good stead on many occasions. He is a member of the Boston City Club and of the Exchange Club. He has been president of the Massachusetts' Warehousemen's Association for the past several years; vice-president of the merchandise division of the American Warehousemen's Association; and chairman of the merchandise division's committee on ports and port terminals.

In private life the Boston executive's tastes run to sports; he is fond of hiking and of all winter activities, particularly snow shoeing and skating.

Mr. Spear has two sons who may or may not follow him into the warehouse industry. They are Robert and Richard, aged respectively 16 and 17. One is in high school and the other in prep.

### **Family Album Story of Rise of Wilkinson**

(Continued from page 26)

moved, in two wagons, thirty miles over a rugged mountain road; starting at 3 a.m., the jaunt lasted sixteen hours. He has never forgotten that trip, and one of his earliest resolutions was that some time he would make it a hobby to improve the manner of moving.

The new homestead was ten miles from Charlotte, and there John L. was brought up. In 1907 he went to town and got a job—with the J. W. Wadsworth Co., livery and hauling. That was in the good old days of "the road" now mourned by the theatrical profession, and most of the company's work was the moving of theatrical baggage.

There was no storehouse in Charlotte. In time, young Wilkinson organized a company to launch one—Cochrane & Ross, of which he was secretary and general manager. He had been in town five years by then, and it was still the day of the horse-drawn van.

Mr. Wilkinson remained with Cochrane & Ross until 1918. At that time he was in charge of moving soldiers to and from the various war-time camps.

As a public spirited citizen it was part of his job to give these boys Bibles and flags, and after a time of serving in that capacity, he decided that he ought to go himself.

So in 1918, he sold out (he had a fairly modern warehouse by then) and went into officer's training camp, remount service. Fall of 1919 found him in Camp Joseph E. Johnston at Jacksonville, Fla.—and the war over. Returning to Charlotte, he organized the Carolina Transfer & Storage Co. with his two brothers, one of whom was in the real estate and insurance business and the other in contracting and building.

The new concern began hauling and storage with one truck and 1,000 feet of rented space. Good friends rallied around and in three months two trucks were added. Every six months the floor space also had to be enlarged; and finally, in 1923, it bought the furniture storage branch of the Union Storage & Warehouse Co.

As the business grew to a rented area of 45,000 square feet, Mr. Wilkinson began to plan a building of his own. This was completed in January, 1927—80,000 square feet; 40,000 for merchandise and an equal amount for household goods—with an entire investment of \$210,000. In 1928 he bought out and absorbed his first company, Cochrane & Ross, and this he added to the new plant.

The Carolina firm now operates sixteen trucks, and was the first in the South to put on the street a new vehicle to represent the Allied Van Lines, Inc. That was in August, 1928.

Mr. Wilkinson attributes largely whatever success he has had to his association work. He is affiliated with the American, National and Southern associations and is on the board of directors of the A. V. I. and on the legislative committee of the A. W. A. He likes the warehouse business so much that he often has gone out to help in the loading of trucks.

At home he is active in civic affairs. He is a member of the Charlotte Park and Recreation Commission and superintendent of all activities of the park such as improvements and enlargements. He is financial secretary of the Civitan Club, and donor of the loving cup which he now holds permanently. This club takes care of the poor of Charlotte at Christmas time; with the aid of Mrs. Wilkinson and two other members, Mr. Wilkinson distributed gifts, to about fifteen families, from one of his trucks this past holiday time.

There were in the local public schools some 150 children going without breakfast. With the cooperation of the parent-teacher's association, the Civitan Club made it possible to feed those children and provide them with milk each morning. Mrs. Wilkinson took her own car to the bakeries and dairies and had supplies at school every day by 8:30.

Mr. Wilkinson is vice-president of the Twilight Baseball league; a member of the finance committee of Horner's Nest Post No. 9, American Legion; a Boy

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## Parker Bus Idea May Be Applied to Motor Trucks

(Concluded from page 21)

Joint boards are only created to handle matters involving motor carrier operations in not more than two States. Members of the joint board are to be nominated by the State utility commission or, if a State does not have such a commission, then by the Governor. In the event neither of these agencies acts, the Interstate Commerce Commission takes jurisdiction.

Matters to be handled by joint boards include: (1) applications for the issuance of certificates of public convenience and necessity, except in the cases wherein the Commission may issue the certificate on the basis of questionnaire information; (2) suspension, change or revocation of a certificate; (3) applications for mergers and acquisition of control; (4) complaints as to violation by the carrier of the safety and other requirements established by the Commission; (5) complaints as to fares and charges; (6) and approval of insurance policies and surety bonds.

Section 4 prohibits any corporation or person operating as a common carrier by motor vehicle in interstate or foreign commerce on any public highway without a certificate of convenience and necessity. Provision is made for a period of 90 days from the effective date of the Act, during which such operations may continue pending action upon application.

The "grandfather clause" in Section 5 aroused considerable opposition in the House. There were those who held that unwarranted protection was extended to carriers already in the field by the provision under which any motor vehicle carrier, in business Jan. 1, would be held to be entitled to a certificate of public convenience and necessity.

Proposals to liberalize this provision so as to qualify for certificates all common carriers actually operating on the effective date of the law, were met with the argument that such a policy would encourage the wholesale establishment of bus-line before the bill became a law.

So much for important features of the legislation as they apply directly to the motor bus business. More important may be several new principles which have been written into this measure, since they may indicate a new school of thought in legislation for the regulation of public utilities of all sorts.

According to the provisions of this bill, in determining whether rates and fares charged the public are just and reasonable, no property value can be included based on the franchise or any other right granted by the certificate of public convenience and necessity, nor on good will or other such intangible values. In other words, when the public has granted the right to a bus operator to use the highways as a common carrier, the operator shall not have the right to demand a return based on this right or franchise for which nothing was paid. The bill

provides that when the carrier applies for and receives a certificate he shall be deemed to have agreed to this provision.

There is reason to believe that this provision is the initial step toward affirmative legislation in opposition to the position taken by the Supreme Court of the United States as well as other Courts in recent years. In valuation cases, where valuations have been fixed for rate-making purposes, the Courts have upheld several public utilities in their contentions that franchise rights, good will and other intangible values should be included in the appraisals for rate-making purposes. In this bus bill is asserted, for the first time, that franchise rights, good will and other intangibles shall not be capitalized for rate-making purposes, and that is a theory which may have far-reaching effect.

The next important legislation in the transportation field likely will be for the further consolidation of railroads. In that field, valuation for rate-making purposes is a moot question, and this very matter of intangible values has been and is a major issue. If, in legislating for railroad consolidations, Congress should apply the principle here asserted in the regulation of motor vehicles, it would substantially reduce railroad valuations in so far as they are used as the bases for rate making.

Another important feature is found in the provision that no rate or fare shall be held to be unjust or unreasonable on the ground that it is unjust to a competing carrier of a different type. This means, for example, that if a bus line parallels a railroad and has a lower fare than the railroad, the bus fare shall not be increased on the ground that, being lower than the railroad rate, it is unfair to the railroad. As water, air, and motor transportation become increasingly important factors in the transportation field, this principle that they should not be forced to a common rate level is at once important.

Representative Milton C. Garber of Oklahoma, during the House debate, indicated still another trend of sentiment that may have an important bearing eventually on transportation matters. He said:

"I want to say to the members here representing eastern States that the need is not imperative in the western States; that we are coming to you now giving you our support and assistance because we recognize your need is greater than any such need in the States we represent. In return we expect you gentlemen representing eastern States to come with us at a later day and provide an administrative agency that will give reasonable regional administration of transportation for the convenience of all of the States of the Union. If we had such regional administration now, as I advocated over a year ago on this floor in support of a bill introduced by me, the problem of administration for the pending bill would be simplified. What did my bill provide? The commission, in conformity with the 1920 Act, divided the United States into four rate-making

## Family Album Story of Rise of Wilkinson

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Scout deputy, and general supervisor of scouting in the First Methodist Church. He is chairman of the sick and relief committee of the church, is on the board of stewards and teaches a class of boys.

Mr. Wilkinson frequently is asked when he finds time to look after his own business. One answer is that he goes to work every morning at 6 a.m. and answers all his mail on the dictaphone before he is disturbed by the cares of the day. Then, too, he has his company so organized that things run along smoothly during his absence.

The Wilkinsons were married twenty years ago last August. Mrs. Wilkinson was formerly Miss Louise Bradley, Charlotte girl. She also is active in civic affairs, being a member of the auxiliary of the American Legion, president of the Parent-Teacher Association, and a teacher in the Sabbath school. There are three children—Marie, 16, Elizabeth, 11, and John, Jr., 8. Marie was chosen to represent Charlotte as one of three in 1919 to attend the National High School orchestra camp at Interlaken, Mich., and was chosen as the one from Charlotte to play in four concerts given by the National High School Orchestra at Atlantic City, New York, Philadelphia and Washington, D. C., in February. Her aspiration now is to be selected as one of those to go abroad next year, when the orchestra will play for King George.

districts for rate-making purposes. The Commission took a valuation of the property in those respective districts and fixed the rates on that basis. My bill provided that a commissioner (of the Interstate Commerce Commission) should reside in each one of those districts and exercise the power of the Commission, sitting as the Commission in three or four convenient places annually in each district, appeals on the record lying from his decision. If we had such regional administration now we could refer the administration of this Act to the commissioner in each of the rate-making districts of the country."

Representative Garber, referring to the Interstate Commerce Commission, added:

"The system is not representative, responsible, nor efficient in the public interest. It is too slow, tortuous, painful, costly, unwieldy, and cumbersome, trailing along too far behind in its administration to afford relief when needed anywhere, any time during this generation or the next."

This sentiment finds itself reflected in the minds of an increasing number of Representatives and Senators from year to year and, probably, presages an ultimate reorganization of the Interstate Commerce Commission.

—Horace H. Herr.



### Knoxville Company Forms a \$200,000 Motor Freight Firm

UNDER the general supervision of the Knoxville Fireproof Storage Co., which established a motor freight terminal in Knoxville, Tenn., some months ago, as announced in the February issue of *Distribution and Warehousing*, a new motor freight company, capitalized at \$200,000, has been organized which starts operation with thirty-four motor trucks operating over more than 560 miles of highway.

The new company, known as Motor Express, Inc., has its principal offices at the warehouse firm's motor freight terminal, which is operated by Eugene W. Galyon, president of the storage company, as president of the Motor Freight Terminal Corporation.

Motor Express, Inc., of which Mr. Galyon is a director, will operate terminals in Bristol, Kingsport, Johnson City, Cleveland, Chattanooga and Knoxville.

The new company was formed by merging the freight lines of the Truck Transfer Co. and the Motor Transfer Co. (which owns the Bristol Warehouse & Storage Co.) of Bristol, and the Thomas Transfer Co., which, located in Dandridge, was recently purchased by the Knoxville Fireproof Storage Co. W. R. Cartwright, president of the Bristol Warehouse & Storage Co., is president of Motor Express, Inc.; Frank Goodpasture, Bristol, is vice-president, and Miss Aleen Weigel is secretary and treasurer.

Franchise have been obtained by the company for hauling freight between Chattanooga and Knoxville; Knoxville, Kingsport and Bristol; Knoxville, Johnson City and Bristol; and from Johnson City, Morristown and Knoxville to various points. Some of these are exclusive franchises.

The company will operate express service at freight rates through all points listed in its tariff, with promised increase in the number of trucks.

Meanwhile the operations of the motor freight terminal, organized by Mr. Galyon to forestall possible encroachment on his warehouse business by "outside" motor truck interests, are progressing satisfactorily, according to Mr. Galyon. An impressive tariff has been issued covering cities outside of Tennessee as well as those within the State. A copy of this may be had from Mr. Galyon on request.

### Inquiries Answered

"Your article in the February issue of *Distribution and Warehousing* brought out any number of inquiries from warehousemen all over the country," Mr. Galyon writes, "and shows the interest you have created. I have tried to answer each as best I knew how and it will be my pleasure to continue doing so."

"We have nothing to take back in regard to our terminal. In fact, this morning's report for the past week is surprising in the increase we have made.

Also, the new accounts we have received and the inquiries we are constantly receiving convince us that if this terminal lost money we could afford to charge it off to advertising in the getting of new accounts. But this is not true; our terminal is sound."

"Shortly after the first of February a fact developed that we had not anticipated, which was that the responsibility that we had given to our shippers who use our terminal was almost impossible for us to receive from the lines, though we had them under bond, contract and insured. The average operator of a motor freight terminal generally is not a man of business experience, and, to assure ourselves of this responsibility, I have been merging the lines between Bristol, Knoxville and Chattanooga and have completed this merger and taken over the lines under our management and control."

This is the merger mentioned, through organizing of Motor Express, Inc. Mr. Galyon continues:

"The lines that we have taken over are all franchised by the State and the merger has been approved by the Railroad and Public Utilities Commission, so that we now feel entirely safe and are thoroughly satisfied with the investment we have made."

"My investigations have developed the fact that the lines as they were operating were not paying, but I am satisfied that they can be made to do so with the additional equipment and service and financial responsibility that the new company will give."

### Saginaw Interests Are Entering the Storage Business

FROM Michigan comes word of another instance where motor freight line interests are entering the warehouse business.

In recent issues of *Distribution and Warehousing* it has been pointed out editorially that motor freight lines in various parts of the country are putting storage buildings into operation in competition with established warehouses.

In Saginaw, Mich., the United Truck Lines, Inc., an affiliation of fourteen truck lines operating out of the city, is remodeling the former International Harvester Co. warehouse at West Genessee Avenue and the Pere Marquette Railroad. It will be used as a central trucking warehouse and freight station.

A new brick front is being built, interior changes are being made to facilitate operation of the truck lines, and loading docks are being constructed for speedy handling of freight. Offices are being installed at the front.

The warehouse is 190 feet long and has a fifty-foot frontage, widening to 120 feet at the rear.

Lines connected with the United operate from 60 to 75 trucks and directly or through their connections they serve 200 Michigan cities and towns.

### A Motor Terminal May Be Set Up by Birmingham Group

AT a recent meeting of the Birmingham Warehousemen's Club a committee was appointed to inquire into the advisability of establishing an independent motor freight line terminal in the Alabama city.

The plan would be for the various motor freight lines to pick up goods at such a terminal instead of calling at the warehouses.

### Another Indiana Terminal

With Tom Snyder, secretary of the Motor Truck Association of Indiana, Inc., as one of the incorporators, the Peru Central Union Truck Terminal, Inc., has been chartered to operate a motor freight terminal in Peru, Ind. The other incorporators are Glen E. Shively and Addie B. Shively. The capital stock is 100 shares without par value.

### Los Angeles Line to Build a Warehouse

A CENTRAL terminal and warehouse is to be erected in Los Angeles by United American Utilities, Inc., which will distribute freight by motor truck as far north as Fresno and as far south as Calexico, covering intermediate points, and operating under State Railroad Commission franchise.

The corporation recently acquired the Pacific Freight Lines, Inc., which comprised the Motor Freight Terminal Co., San Joaquin Valley Transportation Co., Imperial Valley-Los Angeles Express, Inc., Los Angeles & San Pedro Transportation Co. and the Pacific Tank Lines, Inc.

### New Orleans Blaze

Fire on March 2 destroyed a Dock Board warehouse and wharf leased by the Anderson, Clayton Warehouse & Compress Co. and seared a storage building of the Alahoe Warehouse Co. on the New Orleans waterfront. The damage was estimated at \$3,000,000. A steamship caught fire and one man was burned to death.

### New Cotter Plant, Akron

The Cotter Warehouses, Inc., Akron and Columbus, placed a new household goods storage depository in operation at Mill and College Streets in Akron late in February. W. Lee Cotter, president, recently took over the entire building and rebuilt the interior to conform to modern storage requirements.

### O'Connor, Jr., Weds

John O'Connor, Jr., manager of the Orange Storage Warehouse, East Orange, N. J., returned on March 1 from his honeymoon trip through the South. His bride was Miss Dorothy Van Wyan.





## Ready Now

# A Big, Long, Low Fast 6-Cylinder, 3-ton International Speed Truck

Here is the new 3-ton 6-cylinder International Speed Truck—Model A-5—now on view at all of the 161 Company-owned International Branches in the United States.

Sponsored by twenty-six years of automotive achievement, this latest member of the International line of trucks is definitely designed to provide the widest range of modern hauling service ever embodied in one truck.

The chassis itself, ready alike for high-speed transport and for the severe punishment of dump truck service, is being hailed as an outstanding advancement in automotive engineer-

### Brief Specifications of Model A-5

**Wheelbase:** 156, 170, 190 or 210 inches.

**Engine:** International design and manufacture; 6-cylinder, valve-in-head, 7-bearing crankshaft, 7-bearing camshaft, removable cylinders; 3-point mounting with rubber-cushioned rear supports; pressure lubrication.

**Clutch:** Single plate, with built-in vibration damper.

**Transmission:** 5 speeds forward, 1 reverse, direct in high; one control lever.

**Final Drive:** Spiral bevel gear type.

**Frame:** Pressed-steel channel type, with deep middle section.

**Springs:** Semi-elliptic, front and rear. Auxiliary springs, quarter-elliptic.

**Tires:** 34 x 7 front, 34 x 7 dual rear, pneumatic, mounted on all-steel spoketype wheels.

**Brakes:** Service, 4-wheel mechanical, internal expanding. Emergency, internal expanding on rear.

ing. Be sure to read the specifications given at the left.

And Model A-5, as shown in the illustration, is as attractive in appearance as it is powerful in perform-

ance. Trim in silhouette and so obviously in tune with the times, it is a truck of which any owner may be proud.

Favor the new 3-ton International Speed Truck with an exacting examination at the nearest International Branch, then ask for a demonstration of its prowess on your own job.

Doing so will not place you under the slightest obligation.

INTERNATIONAL HARVESTER COMPANY

606 S. Michigan Ave.

OF AMERICA  
(INCORPORATED)

Chicago, Illinois

# INTERNATIONAL TRUCKS

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## New Jersey Files a Complaint in Harbor Lighterage Dispute

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

**H**EARINGS scheduled before the Interstate Commerce Commission on the controversial New York lighterage case, which involves a complaint by the State of New Jersey against the railroads serving the New York port district for alleged unfair lighterage and trucking practices, have been deferred by the Commission from April 22 to May 19.

The postponement followed receipt of a petition from the State of New Jersey for an order by the Commission requiring the defendant carriers to furnish statistics and other data relative to its lighterage and trucking practices in the port district.

The New Jersey complaint charged that the railroads entering New York and vicinity accord free lighterage and trucking in lieu of lighterage to preferred shippers and communities on their rails, to the injury and detriment of New Jersey interests not accorded such preference.

The hearings will be held before Chairman McManamy and Examiner Steer, at Newark, only insofar as relates to testimony of the complainant and interveners supporting the complaint. A date then will be fixed for hearing the testimony of the defendant railroads and interveners opposing the complaint.

The carriers which the State desires to file information pertinent to the case are the Baltimore & Ohio, Central of New Jersey, Pennsylvania, Lehigh Valley, Erie, Delaware, Lackawanna & Western, and New York Central.

## What Jersey Wants

The petition asks specifically that the defendants be required to report the tonnage lightered by them at New York Harbor, Philadelphia, and Baltimore, respectively, during 1928 and 1929. It asks also that they report the freight tonnage which, transported over the railroad routes of the defendants, was lightered and/or trucked in lieu of lighterage at the same ports in the same years, and on which the defendants gave or paid allowances for lighterage service.

The New York Central is asked to make similar detailed reports with respect to its terminals at Weehawken, Thirty-third Street, and Sixtieth Street.

New Jersey also wants to know the exact locations of transfers of freight between lighters and railroad cars on the New Jersey shore, who performed this service, and if it was performed by contractors, who they were as well as details of the contract.

A similar detailed report with respect to the handling of freight between lighters and steamships, steamship piers and other piers and landings within the free lighterage limits of New York Harbor during 1929, is also sought by New Jersey.

Going still further, the petition requests that the defendants be required to furnish the same data on contractors who operate—if they do operate them—freight stations served by car-float service, as well as inland freight stations in Manhattan and Brooklyn subsequent to Sept. 30, 1929.

In all of the foregoing instances where outside contractors were employed, the complainant in the case seeks the date of the contract, and all the details pertaining to rates, facilities furnished by the defendant, etc.

## Christie and Lambert Firms Merge, Seattle

Under the name Christie-Lambert Van & Storage Co., Inc., the Christie Transfer Co. and the Lambert Transfer & Storage Co., both in Seattle, consolidated on March 1, with offices at 300 Westlake Avenue, the Christie firm's address.

"The warehouses of both companies will be retained," says the announcement, "and the standard of service given in the past will be maintained by the same officers and employees. Fred G. Christie, president, and W. G. Dickinson, secretary-treasurer, will continue to give the new company their supervision."

The Christie company, of which Fred G. Christie was president, operated a merchandise and household goods warehouse at the Westlake Avenue address and held memberships in the National and Washington State associations and the Truck Owners' Association of Seattle, Inc.

The Lambert firm, which was headed by W. G. Dickinson as president, operated a household goods and merchandise warehouse at 413-423 Boren Avenue and held membership in the National, Canadian, Washington State and Seattle associations and the California Van & Storage Association, formerly the Pacific Coast Furniture Warehousemen's Association. The company was established in 1891. Mr. Dickinson is a past president of the Washington State Warehousemen's Association.

## McDevitt's to Build

A plot adjoining the present site of the Federal Storage Warehouses at 2407-2417 Federal Street, Philadelphia, has been purchased by the company, which plans to erect a six-story fireproof building, it is announced by Richard McDevitt and Charles McDevitt, the partners. The lot measures 60 by 120 feet and 60 by 165 feet in the shape of an L. The property abuts the Pennsylvania Railroad and the expansion may include an eight-car siding running through the new building. After the latter is in operation the Federal plans to relinquish several rented properties so that practically all the business can be concentrated in one structure.

Meanwhile C. A. Fitzpatrick, formerly secretary and treasurer of the North Philadelphia Storage Co., Inc., has become associated with the Federal firm.

## Death Removes Mrs. Margaret Kennelly

**M**R. MARGARET KENNELLY, mother of Martin H. Kennelly, president of the Werner Bros.-Kennelly Co., Chicago, and president of the Allied Van Lines, Inc., of the National Furniture Warehousemen's Association, died at her home in Chicago on Feb. 20. Ten days prior to her passing she suffered a fall in the lobby of the hotel where she lived, spraining an arm and striking her head, and the shock at her age, 72 years, was too severe.

Mrs. Kennelly was a familiar and lovable figure at many of the winter conventions of the National association which she attended in company with her son. Born in Burlington, Vt., she was left a widow with five small children early in life. Through her own efforts she gave the children an education.

She lived at the Edgewater Beach Hotel Apartments in Chicago with her sons, Martin H. and Jeremiah, and is survived also by another son, John J., and two daughters, Mrs. Rose V. Arnold and Ella G. Mooney.

Funeral services, held at the home on Feb. 22 and followed by a solemn requiem high mass at St. Ita's Church, were attended by a delegation of warehouse executives. Burial was at Calvary Cemetery, Chicago.



## I. D. Replogle Dies

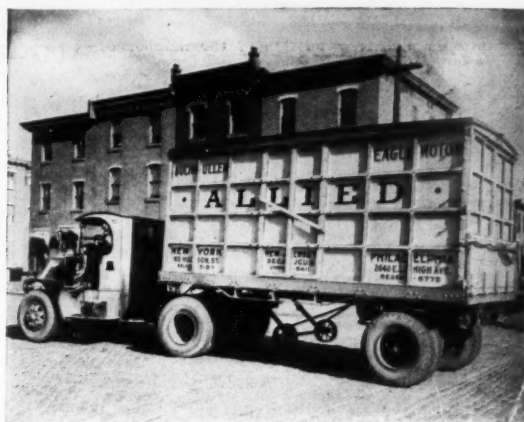
I. D. Replogle, owner and manager of the I. D. Replogle Storage Co., Johnstown, Pa., died on Dec. 18 at his home after an attack of acute indigestion. He was in good health until a short time before his passing.

Born on Nov. 3, 1867, the son of a Civil War veteran in Hanover, Pa., Mr. Replogle was educated in public schools in Virginia and for a number of years followed the carpenter's trade, later becoming a cabinet maker. In 1888 he removed to Johnstown, where in 1903 he established the warehouse business which bears his name. In 1895 he married Miss Florence J. Cover, who with nine children survives him.

Mr. Replogle was a member of the American Warehousemen's Association, the National Furniture Warehousemen's Association and the Pennsylvania Furniture Warehousemen's Association.

## Roxbury Blaze

Fire wrecked part of the plant of the American Storage Warehouse Co. at 259 Heath Street, Roxbury, Mass., caused an estimated loss of \$6,000 on Feb. 7.



ON SEVERAL TRUCKS OF ALLIED FREIGHT DISTRIBUTORS INC., PHILADELPHIA, PA., GOODYEAR TRUCK BALLOONS ARE MAKING AN OUTSTANDING RECORD

# ISN'T THIS WHAT YOU WANT TO KNOW ABOUT LONG DISTANCE HAULING?

You want to know what tires will do the best job for you—what tires will deliver the lowest cost year after year.

Certainly one of the best ways to find out the best tire for you, is to look at the experience of others.

You'll find that more trucks are equipped with Goodyear Tires—**more tons are hauled on Goodyear Tires than on any other kind.** Isn't that a strong proof that your

fleet should be on Goodyears, too?

Operators of long distance moving vans and motor express delivery services are getting spectacular performance with the new Goodyear Truck Balloons. What the balloon tire did for passenger cars—these newest Goodyears are now doing for trucks. They are bringing tire costs back to levels as low or lower than they were in the days of slow-moving vehicles—because they are free

from the heat of speed. Their extra cushion permits trucks to maintain higher average speeds with safety—they give new grip on wet roads, new safety on hills and turns—new protection for perishable loads.

Ask a Goodyear Truck Tire Service Station Dealer to analyze your hauling needs. You can depend on his recommendation for the right tires to use on your fleet.

# GOOD YEAR

**MORE TONS ARE HAULED ON GOODYEAR TIRES THAN ON ANY OTHER KIND**  
WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



## Federal Survey Shows How the Chain Stores Lower Handling Costs

DISTRIBUTION AND WAREHOUSING'S  
Washington Bureau,  
1163 National Press Building.

**W**HATEVER may be the economic virtue or vice of the chain-store system of merchandising, in its warehousing activities it has developed methods which, in many instances, may be adapted with profit to other warehousing activities.

Elimination of manual labor, use of skids, reduction of handling costs and avoidance of "back tracking" have been carefully studied, and the systems worked out have effected substantial reductions in warehousing costs.

The Foodstuffs Division of the Department of Commerce recently completed a study of modern warehouse methods in wholesale grocery distribution. The survey was undertaken at the request of the jobbers efficiency committee of the National Wholesale Grocers' Association. The report on this study, now available through the Bureau of Foreign and Domestic Commerce, has in it much of interest to the warehousing management. It clearly indicates the necessity for the elimination of waste and the reduction of handling costs by the independent warehouses which would continue to be a factor in the distribution system of the grocery industry.

The study required two months of field work, during which time personal visits were made to many firms in different parts of the country. Every phase of receiving merchandise—its storage, assembling into orders, checking, loading and delivery—was studied in detail.

Four groups of warehouses were included in the survey. The first group applies to four successful chain warehouse depots, with annual volume of sales, retail value, from \$6,000,000 to \$65,000,000. In the second group were four wholesale groceries striving for a closer cooperation with retail stores through voluntary chains. The third group included two jobbers of exceptionally large volume, one developing the greater part of the sales on its own labels and manufactured products, and the other doing little or no manufacturing but putting all sales effort toward the upbuilding of its private label business. The fourth group is made up of five average size houses operating mainly as what has been known as "old line" jobbers, each seeking a closer relationship or tie-up with individual retail stores.

The average cost of warehouse and handling operations is revealed for the several groups as follows: Group I, 0.62 per cent; Group II, 1.93 per cent; Group III, 2.50 per cent, and Group IV, 2.17 per cent.

Six important factors in these varying costs were established.

First: Simplification of warehouse methods and the abandonment of useless or unnecessary handling of merchandise.

Second: Curtailment of, if not the

entire elimination of, the broken package room.

Third: Reduction of the number of items handled and offered for sale.

Fourth: Systematic routing and periodical delivery service.

Fifth: Sweeping reduction in selling expense.

Sixth: Domination of the field of distribution. In short to supply all of the needs of a lesser number of stores, rather than to supply a small part of the needs of a large number of outlets.

Of course, several of these facts are chiefly important from the merchandising rather than the warehousing angle. Others of them go directly to the cost problem in handling warehoused goods, and the methods disclosed in the more efficient processes undoubtedly are susceptible of adaptation to warehouse operations in other fields.

As summarized by Ransom R. Gilbert, grocery specialist of the Bureau

### For Sale

**M**ODERN brick store building, 50 feet by 96 feet, one story with gallery. Modern store fixtures.

Also 2-story frame warehouse, 40 feet by 97 feet, with New York Central and Pennsylvania Railroad siding connections.

Opportunity for chain store corporation to secure a location for central distribution.

Location, central Pennsylvania.

Address Moshannon Coal Mining Company, Philipsburg, Pa.

of Foreign and Domestic Commerce, the substance of the highly developed method of handling unit shipping merchandise, in chain store warehouses, is as follows:

"Upon the arrival of the merchandise, it is loaded from cars onto suitable platforms or skids. The skids are so constructed that their base is four or five inches from the floor. Electric tractors or trucks, with suitable extensions, are run under the skids and they are taken to the elevators, where they are raised or lowered to their proper storage floor. Again they are lifted by power trucks and taken to their place in storage. From the time of receiving the car in the dock until the merchandise is set in storage, the individual cases have been touched by human hands but once.

"One floor, preferably the ground floor, is given over to what is termed the selective floor. This floor contains one skid of merchandise of each item carried in stock. Of course there will be a few instances where it is advisable to have more than one community—the slower moving ones—upon a skid.

"These skids are located upon both sides of the aisles, that follow a deter-

mined course, by the erection of an overhead monorail system, which normally carries three cars—or loose skids—to a train.

"The order of arrangement of the merchandise upon the selective floor follows that same order that appears upon the shelves of the retail stores; and the order or requisition sheets are printed in the same sequence, the store managers filling in the number of units of each commodity that they desire.

"The assemblers, who usually work in pairs, start with an order and they ride their train until they come to the first item that has been ordered. The train is momentarily halted and the number of units of that item placed upon one of the cars that will contain but one order; and so on until the circuit of the aisles has been made, during which process, three orders have been assembled.

"The train ends at the shipping floor or dock, with the orders completed and ready to be loaded onto the delivery trucks. Power trucks taking the skid containing an order directly onto the truck body.

"In the operation of such a system, the cases have to be touched, lifted or carried by human hands, but three times—once in the receiving of the merchandise from the cars, once as the assemblers gather the items from the skids onto the trains, once as they are unloaded from the skids onto the delivery trucks.

"Under most all other known methods the merchandise is picked up, and handled, from six, seven to eight times. As this is a reduction in handling of 50 per cent or more, it becomes apparent that decided economies have been effected."

In one of these warehouses 120 men handled on an average daily 46 tons of merchandise at an expense of 61 cents on \$100 worth of sales at retail value.

The need of warehouse space and men to handle merchandise as shown by the averages from the four groups were as follows:

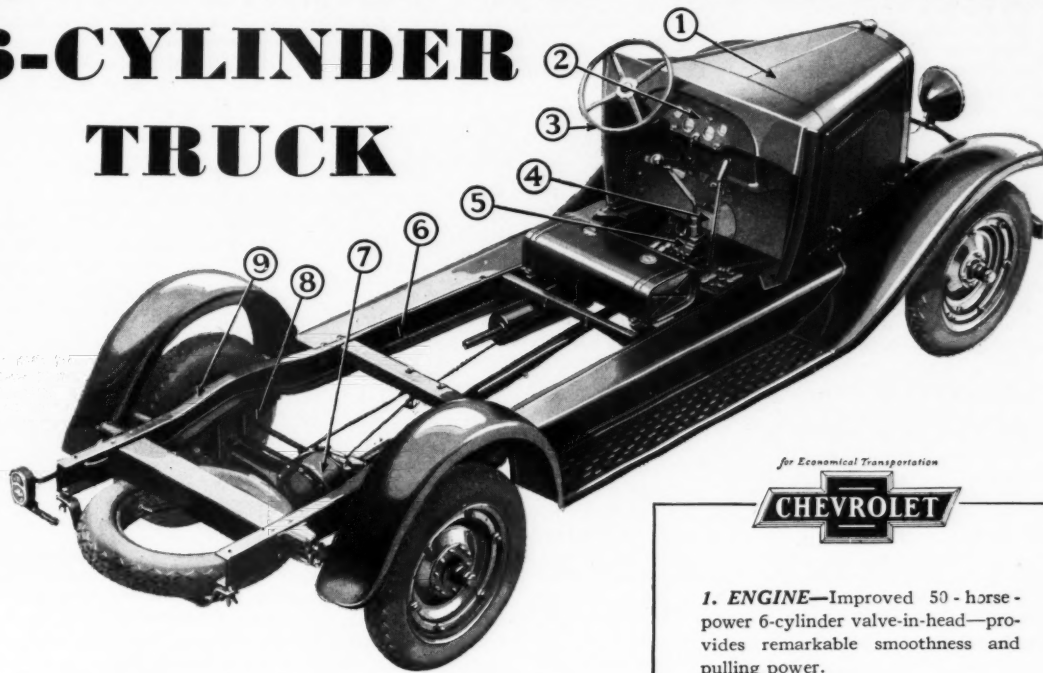
	Per \$1,000,000 of Sales	
	Sq. Ft.	Men
Group I .....	7,370	2.27
Group II .....	23,221	8.17
Group III .....	18,095	14.71
Group IV .....	38,712	11.13

The percentages of warehouse and handling expense to sales in these warehouse operations are of some interest to the independent warehouse management as they suggest the margin of warehouse expense that the efficiently conducted wholesale establishment in the grocery trade will be willing to absorb. In Group I, the chain store supply warehouses showed a percentage of warehouse and handling expense to sales ranging from 0.5 to 0.61 per cent; the percentage in Group II ranged from 1.75 per cent to 2 per cent, the average being 1.93 per cent; Group III ranged from 2.4 to 2.6 per cent, and Group IV ranged from 1.26 to 2.94 per cent with an average for the five concerns of 2.17 per cent.

—Horace H. Herr.

When you ship goods to a fellow warehouseman—use the 1930 Warehouse Directory.

# From first cost to resale value— IT'S WISE TO CHOOSE A 6-CYLINDER TRUCK



When buying trucks—it's wise to choose a Six. For the fundamental advantages of six-cylinder performance are important in truck operation. Chevrolet's six-cylinder motor prevents destructive vibration. This is very important—for excessive vibration shortens the life of a truck and increases the upkeep expense. Because of their six cylinders, Chevrolet trucks are more flexible in traffic. They accelerate swiftly. They handle their load more easily. They are quieter, more powerful, smoother to operate. And because of their modern six-cylinder design—they assure a high resale value when you buy a new truck. Chevrolet six-cylinder trucks are sold at the price of a four—and no trucks in the world are more economical in their use of gasoline and oil. Get a demonstration from your dealer.

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN  
Division of General Motors Corporation

Light Delivery Chassis.....	\$365	The Sedan Delivery.....	\$595
1½ Ton Chassis with Cab.....	\$625	1½ Ton Utility Chassis.....	\$520
The Roadster Delivery.....	\$440	(Spare tire extra)	
(Pick-up box extra)		All prices f. o. b. factory Flint, Michigan	

for Economical Transportation



**1. ENGINE**—Improved 50-horse-power 6-cylinder valve-in-head—provides remarkable smoothness and pulling power.

**2. INSTRUMENT PANEL**—Indirectly lighted, includes a dash gasoline gauge.

**3. STEERING MECHANISM**—Equipped with ball bearings throughout.

**4. DRY DISC CLUTCH**—Is self-adjusting and requires no lubrication.

**5. TRANSMISSION**—4 forward speed with special power take-off.

**6. FRAME**—Over-size channel-steel—accommodates unusually large bodies without excessive overhang.

**7. REAR AXLE**—Bigger, sturdier, with an increased gear ratio for greater power.

**8. SPRINGS**—Four long semi-elliptic, mounted parallel to the frame—make it possible to carry full-capacity loads, without sidesway.

**9. 4-WHEEL BRAKES**—Non-locking, big, powerful, easy to apply.

Fenders and running boards standard on all Chevrolet trucks—heavy channel-steel bumper standard on 1½ ton chassis—at no added cost.

**A SIX IN THE PRICE RANGE OF THE FOUR**

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

### Bekins Plants in Three Northwest Cities Described

(Concluded from page 35)

lights in pillars and chandeliers are used.

Silver and rug vaults are conveniently located back of the offices. There are modern steel racks in the trunk room, and there is thermostatic control of temperature in the piano room, while there is an automatic oil heating plant in the basement.

Passenger and freight elevators are of the full automatic Otis type. The freight lift, with capacity of 8000 pounds, can handle automobiles and loaded vans.

Through Spokane's business section the trackage of the Northern Pacific is elevated; some of this trackage adjoins the third floor of the Bekins plant.

The packing room is equipped with modern electrical machinery for making crates and boxes. Thence goods are taken up into storage on the freight elevator.

The third floor is for storage of davenport and overstuffed chairs, with special shelf equipment to avoid marring of upholstery. The second, fourth and fifth stories are for open storage of household goods and automobiles. Many new cars consigned to local dealers are here cared for. The sixth floor contains eighty private rooms, with steel, fireproof doors and cylinder locks as at Seattle.

In addition to the piano and truck rooms and the offices on the ground floor, there are five stores fronting on the street, and to the rear of this group is the van shed, which is heated and can be closed nights and during extreme weather conditions.

The Portland depository, located at Third, Fourth and Glisan Streets on the West Side, is seven stories high and contains more than 100,000 square feet of floor space, and is amply served by railroad trackage.

The main entrance leads into the office, which is modernly equipped and furnished to resemble a banking institution. Walls are of Caen stone finish, plaster effect, with black walnut trim in the natural finish. The floor is of Tennessee marble, with black and gold Italian marble inserts, and border and base. To east and west the office is flanked with burglar-proof storage vaults with A-2 rated doors, or 5 per cent less than the highest rated burglar-proof vaults in the banks.

Next to the vaults is located the steel-rack trunk-storage space, with room for 2000 trunks and with private inspection provided. There are also three huge cold storage vaults—one for upholstered furniture, another for rugs and the third for furs—all equipped with steel racks. The temperature is thermostatically controlled.

The plant has a monster freight elevator with a platform space ten by thirty feet. This will lift sixteen tons at the rate of 65 feet a minute. Loaded furniture vans can be wheeled onto this elevator and left at any floor for unloading. The big vans and other motor ve-

hicles also can be taken to the main cement roof for parking, thus making it unnecessary to use the street for unloading or parking.

The building is equipped also with a combination freight and passenger elevator. One floor is devoted to private room storage. And, as at Seattle and Spokane, a twelve-foot Neon sign tops the warehouse.

### 'Frisco Firm's 1929 Earnings

The Merchants Ice & Cold Storage Co., San Francisco, has issued its 1929 statement, showing net earnings of \$162,753 before depreciation.

The firm reports that 1930 started off with favorable prospects. Gross earnings for January totaled \$36,758, an increase of \$11,396 over the corresponding month last year. This improvement is attributed primarily to increase in storage revenue and to dividends from affiliated companies.

### New Ohio Firm

The Central Fireproof Storage Co. has been organized, with E. P. Ross as manager, in Springfield, Ohio, to do a household goods and merchandise warehouse business. The third floor, containing 10,000 square feet of floor space, of a five-story fireproof factory building at Center and Jefferson Streets, is devoted to the new business.

### Warehouse Act Pamphlet Exhausted at Washington

The Government Printing Office, Washington, D. C., announces that it has no further copies of the pamphlet "United States Warehouse Act," which set forth the regulations, as prescribed by the Department of Agriculture, for warehousemen storing canned foods under the United States Warehouse Act. There will be no new edition, it was stated on March 14. The pamphlet sold at 5 cents while available.

### Oklahoma City Project

Plans have been announced in Oklahoma City for a \$500,000 combination warehouse and display building backed by business men interested in making the city a distributing point for shipments from the East. The structure will provide 210,000 square feet of storage space, together with exhibit room and brokerage offices. It will be of stone over steel and concrete frame, fireproof, and have five stories and basement.

According to the sponsors, Oklahoma City has less warehouse space than any other city of its size in the Southwest.

### Fur Storage Booklet

"Commercial Fur Storage Plymett Method" is the title of a new illustrated booklet issued by the Haskellite Manufacturing Corporation, 120 So. La Salle Street, Chicago. A copy may be had by writing to the firm.

### Tanner of Detroit Stages Display at Local Exhibit



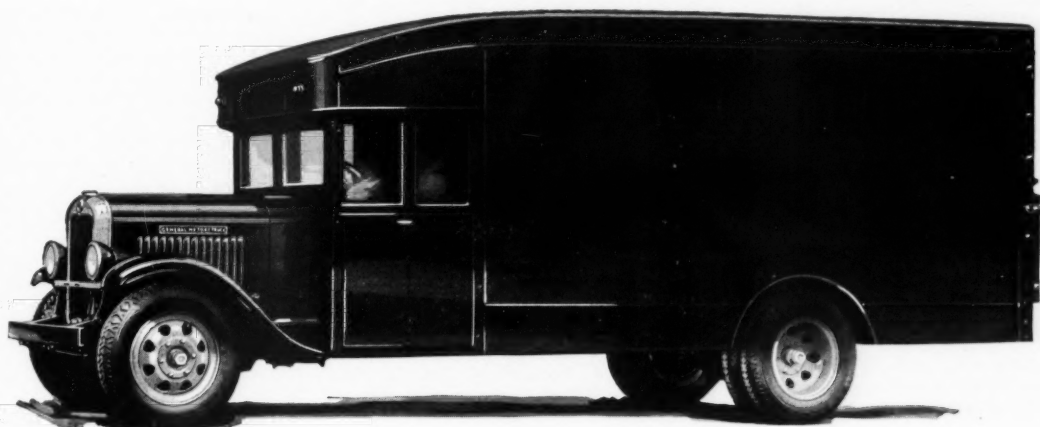
THE Tanner Fireproof Warehouses, Detroit, recently made a display, illustrated herewith, at the Detroit Exchange Club Exhibit at the Book-Cadillac Hotel. "Approximately 2000 people visited the exhibit on the day the exhibit was set up," according to L. H. Tanner, owner, "and each person was given one of the Tanner 20-page illustrated booklets and one of the 4-page letterheads on Konate. We believe the display was really educational and as a result it has paid for itself many times over already."

The display was, of course, in miniature. At the extreme left is shown a vault representing a private room with

goods in storage. In the foreground is a model of one of the Tanner vans familiar to Detroit streets. Directly behind the van is a piece of eaten mohair with moth eggs and larvae still on it just as when taken from an upholstered chair; this was under glass and proved a selling point. Two other pieces of mohair, one Konated and the other in its original condition; were sewn together; the purpose was to show that Konated material does not lose its gloss. Also in the background is a miniature roll of rugs wrapped in mothproof paper, showing how the company protects rugs when stored.



# DAY LONG SPEED *which eats up* the miles in **WAREHOUSE HAULING!**



## \$ 2 2 4 5 - 3 - T O N   R A N G E

### Model T-44 D

Price, chassis only, F. O. B. Pontiac, Mich.

**THIS** rugged, powerful model is available in four different wheelbases—141", 152", 164" and 181" (illustrated),

—and 12 different tire combinations. Chassis prices vary according to wheelbase and tire equipment. Straight Rating—15,000 lbs.—total gross weight including load.

**WHEREVER** there are loads in the 3-TON Range to be moved at sustained high speed, the General Motors Truck, Model T-44, is *the* truck for the job.

The great 6-cylinder engine, famed for its operating economy and long life, gives it unusual cruising range.

Put it on the toughest job you've got—and this truck will lick it and *keep it licked for years*. A hundred thousand miles from now it will still be delivering modern economical service, day in and day out.

Throughout its construction there is brute ruggedness . . . extra margins of strength in the burly frame which has five husky cross

members—with a "stress absorber" spreading shocks at the point of maximum strain . . . big, long rear springs, with auxiliary springs providing easier riding throughout the entire load range, and counteracting sidesway . . . an exceptionally sturdy rear axle that stands the gaff . . . 4 speed transmission of proved durability . . . quick-acting, 4 wheel brakes, simple to adjust . . . a rugged simple clutch . . . easy steering and unusually short turning radius . . . roomy comfortable driver's compartment . . . quiet, weather-tight cab.

It all adds up to tremendous value that can't be touched in the three-ton range. *It's certainly worth seeing and investigating!*

# GENERAL MOTORS TRUCKS

TIME PAYMENTS, on any General Motors Truck, are financed at lowest rates available anywhere, through our own Yellow Manufacturing Acceptance Corp. GENERAL MOTORS TRUCK CO., Pontiac, Michigan (*Subsidiary of Yellow Truck & Coach Mfg. Company*) GENERAL MOTORS TRUCKS . . . YELLOW CABS . . . COACHES.  
Factory Branches, Distributors, Dealers—in 1500 principal cities and towns.

**A MODERN TRUCK FOR EVERY PURSE AND PURPOSE**

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## Construction Developments Purchases, Etc.

### Alabama

**PIEDMONT**—The F. H. Formby Co. has applied for permission to operate motor freight lines from Anniston to the Georgia State line and Atlanta, Ga., and from Gadsden to the Georgia State line.

### Arkansas

**Camden**—Moody Transfer Co. has secured permission to operate a motor freight line in express and transfer service.

### California

**Santa Cruz**—Union Ice Co., San Francisco, has approved plans for a \$45,000 1-story cold storage warehouse at Chester Avenue and Laurel Street, Santa Cruz.

### Canada

**Toronto, Ont.**—Board of Toronto Harbor Commissioners has approved plans for a \$150,000 1-story terminal warehouse on the waterfront.

**Toronto, Ont.**—W. J. Pickard, Ltd., has completed a 6-story addition to its warehouse at 369 Church Street.

**Victoria, B. C.**—Lamb Transfer Co. is the new name of the Jeeves & Lamb Transfer Co., in business since 1910.

**Winnipeg, Man.**—Manitoba Cartage & Warehousing Co., Ltd., has added 40,000 square feet of floor space by extending its Warehouse No. 2 on Higgins Avenue.

### Connecticut

**South Norwalk**—Hain Brothers, Inc., has plans for a \$50,000 1-story cold storage warehouse and ice plant, 50 by 150 feet.

### Florida

**Pensacola**—Louisville & Nashville Railroad Co. has approved plans for a \$75,000 1-story warehouse and freight building, 60 by 400 feet, at its Goulding Yard.

### Georgia

**Atlanta**—Atlanta Ice & Coal Co. has taken out a permit to extend and improve its cold storage warehouse at a cost of \$55,000.

### Illinois

**Chicago**—Express Transportation Co. has taken over under lease and will occupy for warehouse service the 1-story building, 100 by 100 feet, at 2626 W. Van Buren Street.

### Indiana

**Indianapolis**—Red Ball Transit Co. has removed to 701 Illinois Building from 2127 Meridian Street.

### Iowa

**Des Moines**—Peoples Ice Co. has filed plans for a \$40,000 1-story cold storage warehouse and ice plant, 100 by 130 feet.

### Kentucky

**Louisville**—John C. Moorhead Transfer Co. is said to be planning to rebuild its building recently wrecked by fire with an estimated loss of \$30,000.

### Louisiana

**Bunkie**—Louisiana Ice & Utilities Co., Inc., is planning to spend \$30,000 extending and improving its cold storage warehouse.

**New Orleans**—City Dock Board is considering early rebuilding of river-front warehouses and wharves recently wrecked by fire with a reported loss of \$1,500,000. The structures had been occupied under leases by the Anderson-Clayton Warehouse & Compress Co. and the Alamo Warehouse Co.

### Maryland

**Baltimore**—Pennsylvania Railroad Co. has approved plans for extending, at a cost of \$40,000, its warehouse at 1040 No. Front Street.

### Massachusetts

**Fall River**—Rhode Island Ice Co., Providence, R. I., is considering construction of a \$40,000 cold storage warehouse at Fall River.

**Plymouth**—Cape Refrigerating Co. has filed plans for a \$50,000 1-story cold storage warehouse and refrigerating plant.

**Springfield**—Springfield Ice Co. has plans for a \$75,000 1-story cold storage warehouse and ice plant.

### Michigan

**Detroit**—Detroit Trucking Co. has filed notice of company dissolution under State laws.

### Missouri

**Kansas City**—Crooks Terminal Warehouse has plans for a \$200,000 5-story and basement storage building, 120 by 160 feet, at Union and Santa Fe Avenues.

**Kansas City**—Isreal Motor Transfer Co. has purchased a 75-foot vacant tract on Grand Avenue at 22nd Street with a view to putting up a warehouse.

**St. Louis**—St. Louis Electric Terminal Railway Co. is completing plans for a \$1,200,000 freight and express terminal on High Street.

### New Jersey

**Dover**—Brown's Storage Co., Inc., has prepared plans for a \$35,000 1-story warehouse at 76 No. Sussex Street.

### New York

**New York City**—Baker & Williams Bonded & Free Warehouses, Inc., has taken over under lease, and will use as another unit of its chain, the 6-story building of the Heermance Storage & Refrigerating Co. at 405 Greenwich Street.

**New York City**—Guardian Storage & Transfer Co. has filed notice of increase in capital to 500 shares of no par value stock from \$5,000.

**New York City**—Provident Warehouse Co., Inc., established in 1920, has filed notice of company dissolution under State laws.

**New York City**—Records Storage Corporation has taken over under lease for twenty-one years the 11-story warehouse building at 80-82 Pearl Street and 46-48 Water Street.

(Concluded on page 62)

## New Incorporations as Announced Within the Storage Industry

### Alabama

**Birmingham**—Murdock Transfer & Storage Co. H. H. Murdock is president, Edward L. Hood is vice-president and James L. Hood is secretary-treasurer.

### California

**Los Angeles**—O. C. Butler and H. A. Grundy have been granted a certificate to engage in the public warehouse business, and to operate a motor fleet, under the firm name of Pacific Transportation Co.

**San Pedro**—Foot's Transfer & Storage Co., Inc. Storage warehouse and transfer. Capital, \$100,000. Incorporators, A. D. Kreisel and H. A. McDonald. Company was organized in 1902.

### Connecticut

**South Norwalk**—Hain Brothers, Inc. Cold storage warehouse and ice plant. Capital, \$120,000. Incorporators, Frederick, Louis and Otto Hain, all of East Norwalk.

### Illinois

**Chicago**—Beloit & Madison Motor Freight Co., with headquarters at Madison, Wis. To own and control motor vehicles for transport, etc. Capitalization, 1000 shares of no par value stock. Incorporators, Irwin W. Hart, Joseph J. Shaefer and E. M. Hart.

**Chicago**—Midwest Merchandise Transfer, Inc. Capital, \$30,000. Incorporators, George W. Harrison, Edward H. Weihe and John M. Connors.

**Marengo**—W. J. Thibodeau Motor Express, Inc. Capital, \$10,000. Incorporators, Walter J. Thibodeau, Ralph H. Haen and Leonard Thibodeau.

**Watseka**—Watseska Warehouse & Storage Co. Capital, \$1,000. Incorporators, W. H. Craft, Mildred Craft and J. B. Wilson.

### Indiana

**Crawfordsville**—Crawfordsville Central Union Truck Terminal, Inc. Capital, 100 shares of no par value stock. Incorporators, Leonard C. McDaniel, John R. McDaniel, Harold McDaniel and Tom Snyder, secretary of the Motor Truck Association of Indiana, Inc.

**South Bend**—Bailey's Storage & Transfer Co., Inc. Storage warehouse and transfer. Capital, 100 shares of no par value stock. Incorporators, L. G. and Stirling W. Bailey.

**Terre Haute**—Q. & S. Stores Warehouse, Inc. Warehouse, storage and transfer business. Capital, 400 shares of no par value stock. Incorporators, Edward Panson, Jr., and Clifford Hayhurst.

### Michigan

**Alma**—Doyle Transfer Co. Capital, 15,000 shares of no par value stock. Incorporators, E. E. Doyle and David C. Doyle, of Hemlock, and John Davenport, of Alma.

**Detroit**—Superior Warehouse Co. Storage and cartage. Capital, \$2,000.

(Concluded on page 62)

Now—the Only Reference Manual That Completely Covers the Business Relationships of This Important Industry—

# Warehousing

Trade Customs and Practices; Financial and Legal Aspects

By H. A. HARING

THIS new volume is packed from cover to cover with essential information on the merchandising, transportation, banking, legal, insurance and similar relationships of the warehousing industry.

It brings together in convenient form data for which the owner of goods, the banker who loans, and the underwriter who insures have until now looked in vain.

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Every warehouseman will want a copy of the book. In addition, all those to whom warehousing is a necessary adjunct to their work—manufacturers and merchants, their sales and advertising managers, railroad executives, members of commodity exchanges, bankers, and insurance officials—will find it a reference volume of value second to none in their offices.

## Some Questions on Which Warehousing Supplies Needed Information

What states have set up a Guarantee Fund for protecting the integrity of cotton warehouse receipts?

What condition in the American wool industry has prevented the organization of a trading exchange? How is that condition being remedied?

What is the primary purpose of custodian storage of farm produce? How can this method of warehousing be utilized in manufacturing? Does it meet with the approval of the Federal Reserve Board?

How have Texas freight rates and the "Texas Common Point" principle affected merchandise warehousing in that State?

What are the four qualifications required by the Federal Reserve Board to make commodity paper eligible for preferential rediscount rates?

What is the purpose of the "Consequential Damage Exemption Clause" in cold-storage warehouse insurance?

Can you explain how "Warehouse service clips the wings of distribution cost"?

What important advantages has a public warehouse over a private storage building?

How do the costs for warehousing on the municipal docks of New Orleans and Seattle compare with warehousing costs in New York?

In endorsing a negotiable warehouse receipt, what does the endorser warrant? In cases of transfer of title and partial delivery, what three legal fundamentals must the warehouseman keep in mind?

What factors other than storage space must be considered in calculating the storage charge? What is the "Massachusetts System"?

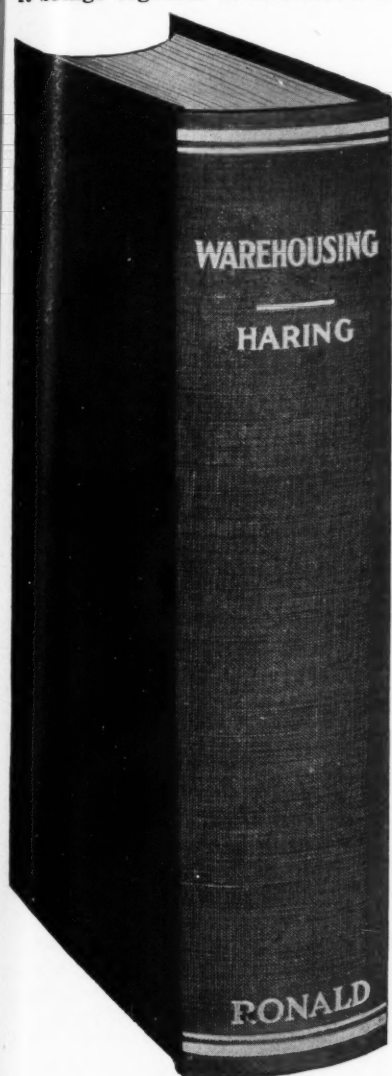
When used as collateral, why do many bankers prefer the non-negotiable warehouse receipt?

In insuring warehoused hardware, if cutlery is specifically excluded, what is the effect upon the rates?

What is a "manipulating" warehouse? Where are such warehouses located?

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What are the four chief reasons for "mixing" grain in storage? What benefits accrue?



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WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



## New Incorporations as Announced Within the Storage Industry

(Concluded from page 60)

### New Jersey

**Camden**—Jackson Street Warehouse, Inc. Warehouse and trucking. Capital, 2500 shares of no par value stock. Incorporators, F. A. DeMaris, Jr., and Philip L. Lipman, of Vineland, N. J.

**Newark**—Capitol Storage Corporation. Storage warehouse and transfer. Capital, \$125,000. Incorporators, Meyer Cantor and B. Kramer.

**New Brunswick**—Sisser Brothers Warehouses, Inc. Storage warehouses and van service. Capital, 1250 shares of no par value stock. To operate interests of Sisser Bros., established in 1913.

**Somerville**—Sisser Bros., Inc. Warehousing, express and transfer. Capital, 1350 shares of no par value stock. Will take over and operate company of same name which was established in 1913. Incorporators, Fred Sisser, J. Sisser and Charles R. Sammis.

### New York

**Brooklyn**—Packers Forwarding Corporation. Capital, \$20,000. Principal \$20,000. Principal incorporator, Lester Grossman.

**New York City**—Hughes Furniture Storage Warehouse, Inc. Warehouse and transfer service. Capital, \$10,000.

**New York City**—Northwestern Storage Warehouse, Inc. Warehouse and moving service. Capital, \$20,000.

**New York City**—Ruhe Storage & Trucking Co. Capital, 200 shares of no par value stock.

**New York City**—U. Santini, Inc. Capital, \$10,000. Principal incorporator, J. P. Shulman.

**Queens**—Ebert's Auto Vans, Inc. Capital, \$20,000. Principal incorporator, J. S. Zivarkin.

### North Carolina

**Wilson**—Watson Warehouse Co. Warehouse and transfer. Capital, \$100,000. Principal incorporator, S. H. Anderson.

### Ohio

**Alliance**—T. & C. Trucking Co. Van service and express. Capital, 250 shares of no par value stock. Incorporators, M. E. Peters, W. J. O'Neill and Ewald E. Kundtz.

**Cleveland**—Bell Cartage, Inc. Capital, 250 shares of no par value stock. Incorporators, Earl E. Crupton, John H. Oswald and Anra Crupton.

**Columbus**—Dayton - Detroit Motor Freight Co. General motor haulage business. Capital, 500 shares of no par value stock. Incorporators, Paul B. Warnick, M. W. Wilson and B. W. Chinn.

**Columbus**—Grant Haulage Corporation. Capital, 250 shares of no par value stock. Incorporators, William G. Grant, Norma E. Grant and George H. Jackson.

**Mayfield Heights**—The Certified

**Trucking Service, Inc.** Capital, 100 shares of no par value stock. Incorporators, H. J. Richmond, R. J. Richmond and Helen E. Zidd.

**Springfield**—W. P. Byserman Co. (In business as W. P. Byserman Transfer & Storage since 1911.) Capital, \$25,000. Incorporators, W. P., D. M. and H. S. Byserman.

**Toledo**—D. T. D. Motor Freight, Inc. Capital, 250 shares of no par value stock. Incorporators, Carl J. Westhoven, Howard W. Tassell and Lawrence A. Westhoven.

### Pennsylvania

**Philadelphia**—Belber Warehouse Co. (organized). Warehouse and moving van service. Incorporators, Henry S. Belber and Aaron S. Belber.

### Rhode Island

**Providence**—Atlas Van Co. (organized). Joseph S. Branch and Daniel C. Murphy head the firm.

### Tennessee

**Nashville**—M-T Freight Lines, Inc. To operate a motor freight line. Capital not stated. F. E. Gillis, South Nashville, heads the firm.

### Texas

**Amarillo**—Armstrong Transfer & Storage Co. (established in 1908). Capital stock, \$30,000. Incorporators, W. W. Ellison, the firm's manager; W. C. Boyce, associate operating executive, and A. B. Ellison.

**McKinney**—Crystal Ice Co., Inc. Cold storage warehouse and ice plant. Capital, \$50,000. Incorporators, E. Riggs and W. H. McAbee.

**Mercedes**—Alford Ice Co. Cold storage warehouse and ice plant. Capital, \$100,000. Incorporators, R. W. Alford and Sidney L. Samuels.

### Washington

**Seattle**—Christie-Lambert Van & Storage Co. This is the newly-incorporated name of the Lambert Transfer & Storage Co., engaged in household goods and merchandise warehousing since 1891. Capitalization of the new corporation, \$10,000.

### Wisconsin

**Lake Nebagamon**—Nebagamon Warehouse Co. Nominal capital, \$2,000. Incorporators, Joseph A. Chisholm and Emil Bolognesi.

**Milwaukee**—National Freight Forwarding & Distributing Corporation. Freight transfer and express. Capital not stated. Incorporators, Edward M. Green, B. Goyette and D. R. Ford.

**Reedsburg**—Reedsburg Equity Warehouse No. 1 Co-op., Inc. Capital, \$15,000. Incorporators, Lee Shultis of Reedsburg and William H. Lutterman and William C. Backman of Loganville.

**Waukesha**—Waukesha Storage & Transfer Co. Capital not stated. Incorporators, J. A. Bongers, Scott K. Lowry and E. L. Walrabenstein.

## Construction Developments, Purchases, Etc.

(Concluded from page 60)

**New York City**—Senz Storage Furniture Warehouse, Inc., has taken over under lease and will operate the building at 378 Third Avenue.

### North Carolina

**Charlotte**—Frederickson Motor Express Corp. is planning construction of an \$80,000 2-story warehouse and transfer building, with garage and shop for motor trucks.

### Ohio

**Canton**—Canton Cartage Co. has removed to 532-534 Cherry Avenue, N. E. from 719 Arlington Avenue, S. W.

**Cincinnati**—Merchants Ice & Cold Storage Co. has filed notice of change of name to Merchants Cold Storage Co.

### Oklahoma

**Erick**—Erick Ice Co. has plans for a \$30,000 cold storage warehouse and ice plant.

### Oregon

**Portland**—Robertson Transfer Co. will occupy under a 10-year lease a \$12,000 1-story warehouse, 100 by 100 feet, to be erected at E. Seventh and E. Yamhill Streets.

### Pennsylvania

**Philadelphia**—Reading Co. has awarded a contract for a \$632,000 6-story addition to the Reading Terminal at Broad and Callowhill Streets.

**Philadelphia**—Rubel Coal & Ice Corporation, Brooklyn, N. Y., has completed plans for a \$100,000 1-story cold storage warehouse and ice plant, 66 by 185 feet, at Parrish, Markoe and June Streets.

**Pittsburgh**—Union Storage Co. is having plans drawn for a \$750,000 6-story dry and cold storage warehouse, 155 by 265 feet, on Smallman Avenue near 22nd Street.

**York**—York Motor Express Co. has applied for permission to operate a motor freight line between Littleton and Spring Grove by way of Hanover and McSherrystown.

### Rhode Island

**Woonsocket**—National Service Co., Boston, has approved plans for a \$65,000 cold storage warehouse and ice plant at Woonsocket.

### South Carolina

**Langley**—Carolina-Georgia Service Co., with headquarters in Boston, Mass., is said to be planning a \$40,000 cold storage warehouse and ice-manufacturing plant at Langley.

### Texas

**Big Spring**—Southern Ice & Utilities Co., Dallas, is planning expenditure of \$60,000 extending and improving its Big Spring cold storage warehouse, capacity of which will be increased to 1000 tons.

## This Month's Features in News and Articles

### Accessorial Costs

CONGRESS has been asked to put a stop to the railroad practice of including low storage charges in the long-haul tariffs. This is a development of vital importance to warehouseman and shipper. See Horace H. Herr's Washington correspondence beginning on page 12.

### "Allowances" by Railroads

FURTHER developments in this interesting Philadelphia "rebates" situation are set down on page 13. The outcome of this litigation will have effect in many sections of the country, and it is essential that storage executives and distributors keep closely in touch with it.

### Certificates of Convenience

IMPORTANT to the warehouseman who distributes by truck are railroads' applications for privilege to operate motor vehicles. Developments of this kind are reported on pages 40 and 41.

### Contracts

WHEN may they be rescinded or cancelled without incurring liability? The law on verbal and written agreements, with particular reference to warehousing, is discussed by Leo T. Parker, attorney—page 26.

### Evolution of Motor Freight

WILLIAM WILSON, a citizen in Sioux Falls, S. D., operated one motor truck in 1925. He established a central truck depot in 1928. Now, with railroad capital to back him, he has just inaugurated a merchandise warehouse business in conjunction with his motor freight fleet. A story of this natural development—illustrative of the trend in many parts of the country—begins on page 9. Some storage executives seem to question the existence of the trend; others underestimate its importance. To them particularly a reading of this article is recommended.

### Filing Claims

UNIFORMITY in the time limit on loss and damage claims filed by shippers against railroads is provided in the Mapes bill, which, pending in Congress, would amend the Interstate Commerce Act. See Washington correspondence on page 48.

### Inland Waterways

WITH the Federal Barge Line competing with warehousing in a way declared by the industry to be unfair, it is interesting to learn that the Government's waterways corporation earned less money last year than in 1928. See Washington correspondence beginning on page 11.

### Interstate Regulation

THE PARKER bus bill will likely be enacted by the Senate during the present session. Inasmuch as its features may be made the basis of eventual Federal control of interstate truck commerce, they are of importance to warehousing. See Washington correspondence on page 41.

### Legal Knots

LEO T. PARKER, an attorney, unties them, on request, for warehouseman and traffic manager. Borrow on his knowledge and experience! This authority also reviews the latest Court decisions of importance to the industry. Four pages this month—34, 35, 36 and 37.

### Personality

THIS MONTH'S biographical sketch is about William A. Gordon, founder and president of the Omaha warehouse company which bears his name. Turn to page 29 for Merryll Schwind's human interest story of one man's rise in the industry.

### "Postal Card" Complaints

WHAT have they to do with distribution? H. A. Haring explains turn to page 14—in an article outlining the principles on which freight rates are made and modified. The author points out the logical avenues of approach to have tariffs reduced. This is the sixty-second of Mr. Haring's Distribution texts.

### "Trade-In Exchanges"

WHAT they are, how they operate, will be of interest to the storage executive who is in search of new accounts. H. A. Haring explains in this month's article—page 31—of his "New Business for Warehouses" series. This is the fifty-fourth of Mr. Haring's profits-earning suggestions.

### Trade Practice Conference

GROUNDWORK is being laid to the end that merchandise warehousing may voluntarily place itself within the purview of the Federal Trade Commission. Turn to page 43 and learn how the industry's associations are cooperating with Chester B. Carruth of the A. W. A.

### Truck Operating Costs

KNOWLEDGE of them is essential—but not every storage executive knows how to arrive at that knowledge. The Jacobs Transfer Company, Inc., Washington, D. C., makes profits by knowing costs, and the story, told by Linton William Mason, the firm's secretary, begins on page 20.

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Directory of Warehouses . . . . Pages 80 to 160  
Directory of Motor Freight Lines . Pages 161 to 164  
Where to Buy Department . . . . Pages 61 to 77

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# ARE YOU HEADED FOR A TRUSS?

IS ROADSIDE-RUPTURE staring *you* in the face? Are *you* suffering from creaking back, stone-bruised knees and tire bills leaping before the eyes? If so—read on—for THERE IS STILL HOPE!

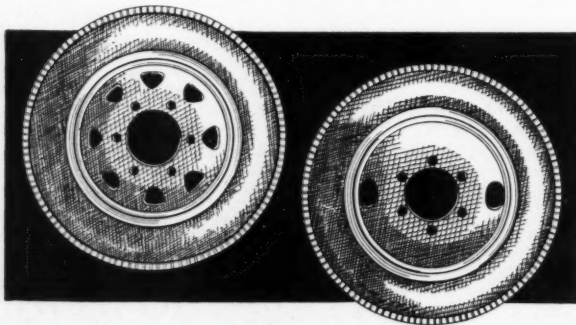
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PROMINENT SCIENTISTS such as Professor Giblets, Dr. William Gizzard and Dr. Lavin Levinsky, all agree that roadside-rupture and its attendant troubles are the dread results of excessive tire-changing.

AND THESE EMINENT AUTHORITIES agree that *wobbling duals* are the little rascals that scuff your tires silly. They keep you wrestling truck wheels and juggling spares—sometimes far into the night.

## A GREAT INVENTION!

FURTHERMORE THESE GREAT TRUCK PHYSICIANS unite in enthusiastically endorsing Budd Duals as a marvelous discovery which staves off roadside-rupture. For Budd-Michelin Duals make chronic blowout merely a bitter



memory, and thus bar the TRUSS from ever darkening *your* home.

THE BUDD DUAL does away with excessive tire-changing because it's wobble-proof. Each of its sections grips the hub with its own set of cap-nuts. First you slap on the inner wheel and anchor it to the hub with a set of *inner* cap-nuts—then you put on the outer wheel, and fasten it immovably with *its* set of *outer* cap-nuts. There's no kind of truck use or abuse that can ever wobble that Budd dual set-up!

## ACT NOW!

WAKE UP!—Don't gamble with your HEALTH! Start using Budd Duals NOW—and be forever free from the THREAT OF A TRUSS!

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